



AGENDA

BOARD OF MAYOR AND ALDERMEN REGULAR WORK SESSION

**Monday, December 1, 2008
Council Room — City Hall
4:30 p.m.**

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh

Vice Mayor Benjamin K. Mallicote

Alderman Charles K. Marsh, Jr.

Alderman Larry Munsey

Alderman Patrick W. Shull

Alderman Jantry Shupe

Leadership Team

John G. Campbell, City Manager

J. Michael Billingsley, City Attorney

Tom Bowman, Leisure Services Director

Jim Demming, City Recorder/CFO

Craig Dye, Fire Chief

Jeff Fleming, Asst. City Manager, Development Services

Chris McCartt, Assistant to the City Mgr.

Ryan McReynolds, Public Works Director

Gale Osborne, Police Chief

Tim Whaley, Community and Gov't Relations Director

1. Call to Order
2. Roll Call
3. Work Session Tickler
4. Review of Items on December 2, 2008 Regular Business Agenda
5. Presentation on Paperless Reporting/Office Productive – Chief Gale Osborne
6. Organizational Adjustment – John Campbell
7. Adjourn

Citizens wishing to comment on agenda items, please come to the podium and state your name and address. Please limit your comments to five minutes. Thank you.

Memorandum



TO: Board of Mayor and Aldermen
FROM: John G. Campbell
City Manager
DATE: November 26, 2008
RE: Organizational Adjustments

With Tom Bowman's retirement I have reviewed our top management positions and feel we have an opportunity to put more emphasis on economic development at this critical time with the national economy. Fortunately our local economy is doing better than what most of the nation's economy is facing. However, I am confident we can do much better. As I have said many times, 'we should value our strong base, but we need to diversify everyday'. To facilitate this diversification I believe we need to have someone concentrate on economic research and planning.

Consequently, I would like to hire an economic planner/researcher in lieu of replacing the Leisure Services Director (anticipated \$40,000 plus savings on an annual basis). This should not be interpreted as de-emphasizing Leisure Services. I have always believed that outstanding Leisure Services facilities and activities are essential to maintain a high quality of life and to enhance the tourism and hospitality industry. Also, one of Tom's key legacies is, he has left strong leaders and staff in the Senior Center, Library, Parks and Recreation and Bays Mountain Park. Chris McCartt is doing a very good job currently of coordinating the Leisure Services team. I assure you we can continue to have a very progressive Leisure Services agenda without the Leisure Services Director position at this time. More importantly, we are at a real opportune time to expand and diversify our economic base.

JGC/jlc

Work Session Tickler

December 1, 2008

City Departments

Public Works

Energy Efficiency Measures

Ryan McReynolds

Updated October 16, 2008

Presentation was given to the BMA at the October 6th Work Session. Plan to represent with preliminary Phase I finding during the proposed CIP Workshop.

Engineering

Gibson Mill Road Realignment: Hank Clabaugh, Updated November 20, 2008

This project is separated in two contracts. Contract 1 is owned by Holston Valley Medical Center (HVMC) and Contract 2 is owned by the City of Kingsport. Thomas Construction Co. is the contractor for both contracts.

The notice to proceed date for both contracts was November 3, 2008 and the final completion for both projects is September 4, 2008.

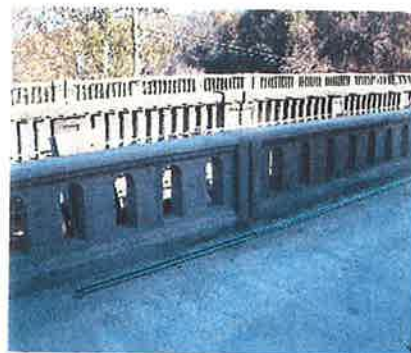
Construction is underway. Grading (filling and cutting) is currently being performed. The Old Boys & Girls Club demolition is nearly complete.

Netherland Inn Bridge

Gary Dault

Updated November 13, 2008

The bridge rail is about 75% complete, with work continuing. The base and binder have been completed on both approaches. Permanent bank stabilization is in progress.



***Automated Meter Reading
2008***

Chad Austin

Updated November 20,

Approximately 2,300 meters have been changed out thus far. Seven routes (of 128) are complete. The training for data collection is set for December 10-12, at which time we can put the radio read capabilities of the meters to use. Approximately 200 leak detectors have been installed. The training on use of the leak detectors has not been scheduled yet, but should be around the first of the year.

Transportation (MPO)

Netherland Inn Bank Barn

Bill Albright

Updated October 31, 2008

Exterior Work is nearing completion. Interior getting sheet rock and more work ahead. New photos attached.



Special Projects

Higher Education Center

Jeff Fleming

Updated November 19, 2008

Structural steel erection continues. The decking for 2nd and 3rd floor is installed and roof decking is about to begin. The 1st floor foundation walls are complete and under-slab utility rough-in is underway.

The City of Kingsport (Kingsport) has recently requested that Corbin Design, Inc. (Corbin Design) provide consulting and design services to develop a comprehensive and cohesive wayfinding and signage program to direct motorists and pedestrians to city destinations and amenities. The key goals are the logistical determination of signage locations and creation of a graphic environment that is clear, understandable, informative, friendly and helpful to the Kingsport visitor and resident. The project should not take more than eight months to complete at which time implementation and sign fabrication will need to be considered.

Project Approach

The project will be broken down into three main tasks for a total cost of \$81,410.00 appropriated from the visitor enhancement funds (VEP).

Task I Analysis (Two months to complete)

As part of our initial task, we also conduct a wayfinding analysis and review that evaluates the presence and use of the following from the standpoints of current types of wayfinding and branding:

Wayfinding Elements

- Gateway signage
- Banners
- Boundary markers or welcoming landmarks
- Vehicular directional signs
- Pedestrian directional signs
- Public website

Task II Design (Three months to complete)

Corbin Design will hold an internal design workshop that include information gathered during task I and analyzes architectural elements and topographic features, materials, themes, and the Kingsport goals for the system in order to develop an appropriate design aesthetic for the system.

- Designs will be presented for review and revisions

Task III Documentation (Three months to complete)

This task provides information necessary for the specification, purchase, fabrication and installation of the approved signage system. The Sign Location Plan and Sign Message Schedule identify the public wayfinding signage we have designed for the proposed system, plot its location and define its content.

Task IV Implementation – Not Included

Four to five months timeframe for the fabrication and installation of signs, not part of this contract. This task will be determined upon completion of prior task listed above.

Transportation (Traffic)

Traffic Calming Measures 2008

Michael Thompson

Updated November 19,

Bellingham Drive – Preliminary Design has been completed. Public hearing is scheduled for December 10th from 11:00am – 1:00pm at the Renaissance Center, Room 230.

Essex & Suffolk Traffic Calming – An additional 8 traffic counts were completed throughout the Preston Forest subdivision and no other roadways met the minimum qualifications for traffic calming. These results were sent to the Neighborhood Association.

Netherland Terrace Street Lighting

Michael Thompson

Updated November 19, 2008

AEP is processing the permit required by CSX for approval and cost to place poles on their right of way as well as preparing an estimate for upfront City of Kingsport costs for installation. AEP has advised that the permit will be mailed to CSX next week.

Indian Trail / Stone Drive Signal & Median

Michael Thompson

Updated November 19, 2008

Project is in the December 12, 2008 letting. Completion is scheduled on or before June 30, 2009.

University Blvd. Street Lighting

Michael Thompson

Updated November 19, 2008

Crews working for AEP have installed underground conduit from Walnut to Bellingham. Crews are having to hand dig for conduit now because of other utilities in the area. Estimated completion date given to us by AEP is December 17th, 2008.

Joseph O. Fuller Memorial Bridge Lighting

Michael Thompson

Updated November 19, 2008

Quote has been obtained for replacement poles and fixtures for the 92 bridge lights. For material only this cost is \$115,000. The next step is to evaluate the 8 electrical services to these lights and perform necessary repairs.

Leisure Services Update

Kingsport Public Library
2008

Helen Whittaker

Updated November 12,

Your "Library to go": new technology has allowed the library to keep up with busy lifestyles. Listed below are some examples of this new technology.

- Books on tape and books on CD for folks who like to listen to books when they drive
- Books on Playaways (an audio book and player in one-the size of a deck of cards) for passengers in cars, or for airplane travel , while you do yard work or housework, or sitting on the beach. Toss a couple into a purse or tuck some into a pocket and you're good to go. All you have to do is plug in the ear-buds.
- MP3 players – if you don't have your own, check one out at the library and download any of over 5,000 online audio books available through our website for free. They automatically "disappear" from your MP3 player after 14 days, so you don't have to worry about returning anything or overdue fines.
- Download any of our over 4,000 online electronic books available through our website for free
- Wireless online catalog – one that is text only that you can use with your cell phone
- Don't have time to read a whole book? Join our online book club and you'll get the first chapter of one book each week

If you can't get to the library, you can go online and renew your books or place a new one on hold. Visit our website at www.kingsportlibrary.org or contact Helen Whittaker at 229-9488.

Parks & Recreation

Dog Park
2008

Kitty Frazier

Updated November 18,

The dedication of the Dog Park site will be December 9, 2008 at 2:00 p.m. Everyone is invited. The site is fully fenced and registrations for dogs will begin in December. (During the winter a portolet will be on-site and design/construction discussions are underway related to permanent restrooms for the park.)

Greenbelt
2008

Kitty Frazier

Updated November 18,

The Greenbelt section located between Sullivan Street/Cherokee Village and Cloud Park will be advertised on November 16, 2008 for construction bids. Pre- bid meeting will be December 3, 2008 at 2:00 p.m. (city hall) and the official bid opening will be December 16, 2008 at 4:00 pm. (city hall). We will keep you informed of the bid results after they have been received and reviewed. If you have any questions feel free to call Kitty Frazier at 229-9408.

*Senior Center**Shirley Buchanan**Updated November 26, 2008*

Our Christmas Tree Forest Reception and Auction will be Tuesday December 2nd from 4pm – 7pm. The trees donated by local business will be available for purchase through silent auction (auction closes at 6:30). We will be serving refreshments, Santa his elves will be there but they must leave by 6:30 to head back to the North Pole!!

Bring your friends, family and a camera for photos with Santa!!

Kingsport Area Transit Service

*Transit Service**Jack Qualls**Updated November 25, 2008*

We will continue to provide you with bi-weekly updates until this project is complete.

Benches

1. Food City - Installed
2. Salvation Army (Boone St) - Waiting on R.O.W. to be marked – 3rd wk December
3. Holston Terrace - Waiting on R.O.W. to be marked- 1st wk December
4. Lee Apts – Installation scheduled for 1st week in December
5. V.O. Dobbins - Installation scheduled for 1st week in December
6. White's Grocery - To Be Determined
7. Splash Pad - Installation scheduled for 1st week in December

Shelters

1. Wal-Mart (Stone Dr) - Store manager is contacting Home Office
2. Wal-Mart (Ft Henry) – Waiting on Contract
3. Model City Apartments – To Be Determined
4. Indian Path Hospital – Waiting on Roof project to be completed, Late November or early December.
5. Senior Center – Installation scheduled for 1st week in December
6. Wilcox Apts - TDOT approved on 11/14/08, 1st week in December
7. Garden Apts – Waiting on R.O.W. to be marked, 2nd wk December
8. Washington Apts – Contract signed 11/17/08, 1st week in December
9. Dogwood Terrace - Waiting on R.O.W. to be marked, 1st week in December

Installed Shelters:

Maple Oaks
Miller Village
City Hall

Development Services

Cook's Point

Rack Cross

Updated November 18, 2008

Several site visits were made to Cook's Point this week including those made by Planning Department, Building Department, and Development Services for general observations and photographs.

Developer Erik Fritz was contacted by phone on Nov. 14, 2008, by Rack Cross and encouraged to maintain a high standard of site appearance, even above the level of minimum compliance which he now achieves. Mr. Fritz said he would consider patching asphalt around drainage grates in road within the next two weeks and attempt finalization of the T-turn around after the first of the year following the completion of a unit now under construction. Mr. Fritz also said he would consider adding the pavement top coat in non-construction areas but did not give a time line.





AGENDA

BOARD OF MAYOR AND ALDERMEN

REGULAR BUSINESS MEETING

**Tuesday, November 18, 2008
Large Court Room – City Hall
7:00 P.M.**

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding

Alderman Valerie Joh
Vice Mayor Benjamin K. Mallicote
Alderman Charles K. Marsh, Jr.

Alderman Larry A. Munsey
Alderman Patrick W. Shull
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James Demming, City Recorder

- I. CALL TO ORDER**
- II.A. PLEDGE OF ALLEGIANCE TO THE FLAG**
- II.B. INVOCATION** – Steve Hooper, Pastor – Restoration Church
- III.B ROLL CALL**
- IV. RECOGNITIONS AND PRESENTATIONS**
 - A. Proclamation to the School Board – Mayor Dennis R. Phillips
- V. APPROVAL OF MINUTES**
 - 1. November 17, 2008 Regular Work Session
 - 2. November 18, 2008 Regular Business Meeting

VI. COMMUNITY INTEREST ITEMS

AA. PUBLIC HEARINGS

1. Public Hearing and Consideration of an Ordinance to Amend the Zoning Code, Text and Map, to Zone Property along Martin Luther Drive, Carver Street, Douglas Street, and Louis Street to PVD, Planned Village District (AF: 358-2008)
 - Ordinance (Zoning) – First Reading
2. Public Hearing and Consideration of an Ordinance to Amend the Zoning Code, Text and Map, to Zone Property along Martin Luther Drive, Carver Street, Douglas Street, and Louis Street to PVD, Planned Village District (AF: 354-2008)
 - Ordinance (Annexation) – First Reading
 - Ordinance (Zoning) – First Reading
 - Resolution

COMMENT

Citizens may speak on agenda items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non-personal in nature, and they should be limited to five minutes. A total of thirty minutes is allocated for public comment during this part of the agenda.

B. BUSINESS MATTERS REQUIRING FIRST READING

1. Consideration of an Ordinance to Amending Ordinance Number 5694 as it Pertains to Health Insurance Premiums for City Retirees (AF: 375-2008)
 - Ordinance – First Reading

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION

D. OTHER BUSINESS

1. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of property Located at 2308 Overlook Road for the Kingsport City School System (AF: 369 -2008)
 - Resolution
2. Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Properties for the Kingsport City School system (AF: 370 -2008)
 - Resolution
3. Consideration of a Resolution Approving an Amendment to the Downtown Redevelopment District Plan (AF: 373 -2008)
 - Resolution

4. Consideration of a Resolution Regarding Franchise Fees Required by the Competitive Cable and Video Services Act (AF: 361-2008)
 - Resolution
5. Consideration of a Resolution Supporting the Kingsport Board of Education and its Urging of all Eligible Employees to Vote No in the Upcoming Recognition Election (AF: 377-2008)
 - Resolution

E. APPOINTMENTS

1. Consideration of Reappointments to the Kingsport Emergency Communications District E-911 Board (AF: 371-2008)
 - Approve Reappointments

VII. CONSENT AGENDA

All matters listed under the Consent Agenda are considered in the ordinary course of business by the Board of Mayor and Aldermen and will be enacted on by one motion in the form listed. If discussion is desired by either the Board or the audience, the item in question will be removed from the Consent Agenda and considered separately.

1. Consideration of an Ordinance Amending the FY 2008-2009 General Purpose School Fund Budget (AF: 350-2008)
 - Ordinance – Second Reading and Final Adoption
2. Consideration of an Ordinance to Amend the Culture Arts Division Budget in the General Fund by Appropriating Funds Received from the Tennessee Arts Commission Arts Build Community Grant to Support the Art Night/City Lights Performing Arts Series (AF: 359-2008)
 - Ordinance – Second Reading and Final Adoption
3. Consideration of an Ordinance to Amend the General Project-Special Revenue Funds by Appropriating Grant Funds Received from the Federal Emergency Management Agency (FEMA) and the Department of Homeland Security (AF: 360-2008)
 - Ordinance – Second Reading and Final Adoption
4. Consideration of a Budget Ordinance to Appropriate the Grant Funds Received from the Economic Development Administration and the Appalachian Regional Commission for the Kingsport Higher Education Center Architect's Agreement with McCarty Holsaple McCarty Architect's, Inc. (AF: 357-2008)
 - Ordinance – Second Reading and Final Adoption

5. Consideration of An Ordinance to Update the City of Kingsport Travel Policy and Address Use of Travel Cards (AF: 366-2008)
 - Ordinance – Second Reading and Final Adoption

VIII. COMMUNICATIONS

- A. CITY MANAGER
- B. MAYOR AND BOARD MEMBERS
- C. VISITORS

Citizens may speak on issue-oriented items. When you come to the podium, please state your name and address and sign the register that is provided. You are encouraged to keep your comments non- personal in nature, and they should be limited to five minutes.

IX. ADJOURN

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, November 17, 2008, 4:30 PM
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips
Alderman Valerie Joh
Vice-Mayor Benjamin K. Mallicote
Alderman Larry A. Munsey

Alderman Patrick W. Shull
Alderman Jantry Shupe (*arrived
at 4:45 p.m.*)

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:35 p.m., by Mayor Phillips.
2. **WORK SESSION TICKLER.** City Manager Campbell stated that the dog park is on schedule to open in December, originally with portable bathrooms. He added that water and sewer services are already there, but bathroom options still being investigated.
3. **ROLL CALL:** By Deputy City Recorder Gilbert. Absent: Aldermen Charles K. Marsh, Jr. Alderman Jantry Shupe arrived after roll call at 4:45 p.m.
4. **REVIEW OF AGENDA ITEMS ON NOVEMBER 18, 2008 REGULAR BUSINESS AGENDA.** City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

VI.B.1 Consideration of an Ordinance Amending the FY2009 General Purpose School Fund Budget (Purchase Overlook Road Real Property) (AF: 350-2008). Kingsport City School (KCS) Financial Officer David Frye described the properties being purchased under this budget ordinance action. He explained that the ideal standard for housing 500 students is around 10 acres and the nearby school sits on about five acres. Purchase of these properties, in the short term, will provide parking for teachers and others. In response to an inquiry from Alderman Shull, Mr. Frye explained that, while there are no concrete plan KCS has for this land going forward, nearby property acquisitions could be used for further expansion, if warranted.

Alderman Shull expressed his discomfort with proceeding to acquire these pieces of property with no foreseeable knowledge of an overall plan.

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VI.D.4 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (V.O. Dobbins Renovation/Non-profit Center) in an Amount not to Exceed \$7,145,000 (AF: 363-2008).

VI.D.5 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of Local Option Sales Tax Revenue and Tax Bonds (MeadowView Conference Center Expansion) in an Amount not to Exceed \$15,305,000 (AF: 364-2008).

VI.D.6 Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Public Improvement Bonds (Various Projects including Parking Garage) in an Amount not to Exceed \$12,305,000 (AF: 365-2008).

City Recorder Demming explained how these bonds will be implemented, the requirements for each, and indicated they would be bid sometime after the new year.

Mr. Rick Delaney, an investor from Morgan Keegan, was asked to speak to the current, overall bond market. He explained that markets have been upside down, with very little activity, as expected, but have picked up significantly over the last two weeks. He added that interest rates have continued to fall and that passing these proposed resolution is the first step in preparing to move forward as rates improve in the market.

City Manager Campbell forecasted that this is a very favorable bidding time period regarding construction due to a hungry contractor market and material costs coming down.

Mayor Phillips clarified that if the BMA passes these three bond resolutions, it is doing so to be ready to take advantage of a more favorable bond market than the current one and that the bonds would not be sold without the Board's prior knowledge. City Manager Campbell explained the necessity to advertise the sale date and confirmed Board members would be made aware before the bonds were sold.

In response to an inquiry from Alderman Shull about peculiarities in any of these bond issues, Mr. Delaney responded that the V.O. Dobbins project involves 501(c)(3) nonprofit entities, the bond regarding MeadowView expansion has some tax issues that attorneys are still working on, and the third one involving the parking garage construction may also raise tax issues. City Recorder Demming added that the MeadowView resolution might be "peculiar" in that it is pledging local option tax on that debt.

Alderman Munsey confirmed that the Board would hold additional discussion on the parking garage construction project even if this is approved by BMA tomorrow night. City Manager Campbell stated that further BMA input would be sought on this project regarding design, size, and if the BMA eventually approves downtown TIF (tax increment financing), additional amounts that can be used. Mr. Munsey indicated that he supports all three of these resolutions to allow the City to prepare to take advantage

**Minutes of the Regular Work Session of the Board of Mayor and Aldermen of
Kingsport, Tennessee, Monday, November 17 2008**

of the bond market and wanted to voice his support at this work session because he will be unable to attend tomorrow night's regular meeting when the vote is taken.

Alderman Shull reiterated that he believes the V.O. Dobbins project grew beyond what was originally presented which is why he voted against it. Regarding downtown parking issues, he stated that, in earlier discussion, Alderman Marsh had provided some great alternative avenues in lieu of building a parking garage. Alderman Shull mentioned that he had not seen parking studies done from 1970 forward and would like further documentation to confirm the need. City Manager Campbell agreed to provide Board members with updated information. Assistant to the City Manager, Chris McCartt, also shared that discussion had been held with Regions Bank representatives and that possible parking is now tied up in leases. He stated that another avenue explored was possibly demolishing certain City-owned buildings but that action was not supported by the downtown community because of the number that would need to be torn down. The 300 parking spaces a parking garage could provide, right off of Broad Street, would be a huge lift to existing businesses, as well as an incentive for future business recruitment. He will provide Board members with copies of reports recommending the City look at a parking structure.

VII.2 Consideration of an Ordinance to Appropriate Funds from the General Fund Balance for the Completion of the Construction of the Veterans Memorial (AF: 351-2008). Board members indicated they had been thanked profusely for helping complete the Veterans Memorial project and the recent dedication was well-attended. Alderman Shull inquired about whether additional pavers could be made available to sell to those citizens seeking to purchase them. He requested that Mr. McCartt check with representatives of Kingsport Tomorrow to follow up on these requests.

Mr. McCartt responded that he believes there is a waiting list of around 30 people who desire to purchase pavers and Wright and Henderson has been asked look for and design an additional space to accommodate these requests.

5. QUARTER BUDGET UPDATE. Budget Officer Judy Smith went over figures for the FY09 first quarter report and City Manager Campbell reported that the City sales tax revenues have already exceeded last year's figures for the same time period.

Board discussion followed regarding the state's revenue shortfall, the fallout expected from that situation and the effect on the City's budget going forward. Annual projection figures were contemplated and the need to diversify was discussed.

Alderman Joh brought up that local housing markets are maintaining values which appears to be a great positive for the local economy. Mr. Campbell agreed that the City has a very strong real property tax situation but expressed his desire to see City revenues spread more evenly over all three taxes.

Ms. Smith continued with expenditures, showing that fuel price savings are projected to be around \$300,000 for all funds, which figure was a very conservative estimate based on the probability of increased fuel prices in the spring.

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Kingsport, Tennessee, Monday, November 17 2008**

City Manager Campbell indicated that, since the BMA is doing major capital improvements through debt spending, it is important to separate the annual operating budget from the City's long-term debt.

6. RECYCLING UPDATE. Public Works Director Ryan McReynolds provided background on the inception of the City's recycling program in 1991, originally, in response to federal and state diversion mandates. He described how the program is implemented and carried out, as well as the way the City processes its recycles and the costs involved.

Mr. McReynolds provided a history of the current contract as follows: in the FY09 budget, there is an overall Budget of \$455,600 which includes the \$60,000 fee to Tri-Cities Waste; revenue receipt for materials of around \$67,000; personnel costs of \$206,800; estimated diversion of materials into the landfill savings of \$85,000, resulting in an estimated overall program cost of \$303,600 annually.

Alderman Shull asked about the consequences if the City chose to end recycling and Mr. McReynolds responded that the City would never stop the program because rules and regulations are leaning more and more toward recycling, but the City could adjust the way it is handled. City Manager added that City staff is constantly looking at the best practices of other places regarding potential costs but there is a need to maintain the same level of diversion the City currently attains.

Alderman Joh suggested having homeowners separate recyclable items to save personnel costs from having to do so and educating the public on this process. Alderman Shupe asked about the benefit of marketing all of the recyclable items picked up, similar to the process in Johnson City, and was told that a separate facility would be required to capitalize on this avenue of recycling.

Mayor Phillips requested that Mr. McReynolds provide Alderman Marsh with a copy of this recycling report.

7. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:20 p.m.

ELIZABETH A. GILBERT
Deputy City Recorder

DENNIS R. PHILLIPS
Mayor

Minutes of the Regular Business Meeting of the
Board of Mayor and Aldermen of the City of Kingsport, Tennessee
Tuesday, November 18, 2008, 7:00 PM
Large Court Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips, Presiding
Alderman Valerie Joh
Vice-Mayor Benjamin K. Mallicote

Alderman Patrick W. Shull
Alderman Jantry Shupe

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

- I. **CALL TO ORDER:** 7:00 p.m., by Mayor Dennis R. Phillips.
- II.A. **PLEDGE OF ALLEGIANCE TO THE FLAG:** Led by Mr. Jim Erwin.
- II.B. **INVOCATION:** By Pastor Mitch Whisnant of the First Baptist Church.
- III. **ROLL CALL:** By City Recorder Demming. Absent: Aldermen Charles K. Marsh, Jr. and Larry A. Munsey.
- IV. **RECOGNITIONS AND PRESENTATIONS.** Mayor Phillips recognized newly elected State Representative Tony Shipley in attendance. Also recognized was Dylan McCracken of Boy Scout Troop 240 who was attending in compliance with earning a merit badge.
- V. **APPROVAL OF MINUTES.**

Motion/Second: Joh/Shupe, to approve minutes, as amended, for the following meetings:

- A. November 3, 2008 Regular Work Session
- B. November 4, 2008 Regular Business Meeting

Approved: All present voting "aye."

VI. COMMUNITY INTEREST ITEMS.

AA. PUBLIC HEARINGS.

A. PUBLIC COMMENT. Mayor Phillips invited citizens in attendance to speak about any of the remaining agenda items.

**Minutes of the Regular Business Meeting of the Board of Mayor and Aldermen
of the City of Kingsport, Tennessee, Tuesday, November 18, 2008**

Ms. Barbara Brown of Lomax Street, Kingsport, asked Board members to pass the three bond resolutions discussed at last night's work session regarding future projects in the City. She is proud of the City and commended the Board on its decisions to move forward on past administrations' plans.

Mr. Jim Erwin, 1216 Jerry Lane, Kingsport, wanted to thank, as chair of the Kingsport Veterans Memorial Committee and on behalf of Kingsport Tomorrow and all area veterans, the BMA for its support, backing and encouragement of this project during last three and a half years.

Mr. Brian Haynes of 102 Monticello Place in Kingsport referenced the MeadowView quarter center tax in stating he would like to have the tax returned to citizens now that the goal for which it was imposed has been accomplished. He mentioned either the Board should determine to return it or give citizens a change of vote on the decision.

B. BUSINESS MATTERS REQUIRING FIRST READING.

1. Consideration of an Ordinance Amending the FY 2008-2009 General Purpose School Fund Budget (AF: 350-2008).

Motion/Second: Joh/Mallicote, to pass:

AN ORDINANCE TO AMEND THE GENERAL PURPOSE SCHOOL FUND AND THE GENERAL PROJECT FUND BUDGETS; AND, TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

2. Consideration of an Ordinance to Amend the Culture Arts Division Budget in the General Fund by Appropriating Funds Received From the Tennessee Arts Commission Arts Build Community Grant to Support the Art Night/City Lights Performing Arts Series (AF: 359-2008).

Motion/Second: Shull/Mallicote, to pass:

AN ORDINANCE TO AMEND THE CULTURE ARTS DIVISION IN THE GENERAL FUND BUDGET BY APPROPRIATING FUNDS RECEIVED FROM THE TENNESSEE ARTS COMMISSION FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

3. Consideration of an Ordinance to Amend the General Project-Special Revenue Funds by Appropriating Grant Funds Received From The Federal Emergency Management Agency (FEMA) and the Department of Homeland Security (AF: 360-2008).

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of the City of Kingsport, Tennessee, Tuesday, November 18, 2008**

Motion/Second: Shupe/Joh, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT AND GENERAL PROJECTS-SPECIAL REVENUE FUND BUDGETS BY APPROPRIATING FUNDS RECEIVED FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) AND BY TRANSFERRING FUNDS FROM THE FIRE DEPARTMENT EQUIPMENT BUDGET (GP0708) TO ESTABLISH THE FEMA FIRE EQUIPMENT PROJECT (NC 0904); AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

4. Consideration of a Resolution to Authorize the Mayor to Execute all Documents Necessary for Amendments to the Kingsport Higher Education Center Architect's Agreement with McCarty Holsaple McCarty Architect's, Inc. and Consideration of a Budget Ordinance to Appropriate the Grant Funds Received from the Economic Development Administration and the Appalachian Regional Commission (AF: 357-2008).

Motion/Second: Joh/Shupe, to pass:

Resolution 2009-122, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE SUPPLEMENTAL AGREEMENT NO. 3 TO THE OCTOBER 7, 2007 AGREEMENT WITH MCCARTY HOLSAPLE MCARTY ARCHITECTS, INC. FOR DESIGN SERVICES RELATED TO THE KINGSPORT HIGHER EDUCATION CENTER AND ALL OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENT

Passed: All present voting "aye."

Motion/Second: Joh/Mallicote, to pass:

AN ORDINANCE TO AMEND THE GENERAL PROJECT FUND BUDGET BY APPROPRIATING GRANT FUNDS RECEIVED FROM THE U.S. DEPARTMENT OF COMMERCE ECONOMIC DEVELOPMENT ADMINISTRATION AND FROM THE APPALACHIAN REGIONAL COMMISSION FOR CONSTRUCTION OF THE KINGSPORT CENTER FOR HIGHER EDUCATION; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

5. Consideration of an Ordinance to Update the City of Kingsport Travel Policy and Address Use of Travel Cards (AF: 366-2008).

Motion/Second: Mallicote/Shupe, to pass:

AN ORDINANCE TO ADOPT A REVISED POLICY FOR TRAVEL BY CITY EMPLOYEES ENGAGED IN CITY BUSINESS; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on first reading: All present voting "aye."

C. BUSINESS MATTERS REQUIRING FINAL ADOPTION. None.

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D. OTHER BUSINESS.

1. Consideration of a Resolution Authorizing the Mayor to Execute a Sub Recipient Agreement with the Greater Kingsport Alliance for Development for the Acquisition of Vacant Residential Property (AF: 356-2008).

Motion/Second: Joh/Mallicote, to pass:

RESOLUTION NO. 2009-123, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH THE GREATER KINGSPORT ALLIANCE FOR DEVELOPMENT FOR ACQUISITION OF VACANT RESIDENTIAL PROPERTY

Passed: All present voting "aye."

2. Consideration of a Resolution Authorizing the Mayor to Execute a Lease Agreement for Office and Storage Space for Quebecor World Inc. located at 335 Roller Street (AF: 355-2008).

Motion/Second: Shupe/Mallicote, to pass:

Resolution No. 2009-124, A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT BETWEEN THE CITY OF KINGSPORT AND QUEBECOR WORLD KINGSPORT, INC. FOR OFFICE SPACE IN THE BUILDING KNOWN AS THE QUEBECOR BUILDING LOCATED AT 335 ROLLER STREET IN THE CITY OF KINGSPORT, SULLIVAN COUNTY, TENNESSEE

Passed: All present voting "aye."

3. Consideration of a Resolution Adopting Search, Violence in the Workplace, and Weapons Policies (AF: 353-2008)

Motion/Second: Shull/Joh, to pass:

Resolution No. 2009-125, A RESOLUTION REPEALING SECTION 11, VIOLENCE IN THE WORKPLACE, OF THE CITY OF KINGSPORT POLICIES AND PROCEDURES MANUAL REVISED SEPTEMBER 1998; AND ADOPTING A SEARCH POLICY, A VIOLENCE IN THE WORKPLACE POLICY AND A WEAPONS POLICY FOR CITY EMPLOYEES

Passed: All present voting "aye."

4. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of General Obligation Bonds (V.O. Dobbins Renovation/Non-profit Center) in an Amount not to Exceed \$7,145,000 (AF: 363-2008). Alderman Shull explained his opposition to this action although he supports the initial V.O. Dobbins Center renovation project. He expressed his disagreement with the nonprofit addition to the Center due to the issue of the City competing with the private sector for leasing property.

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Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-126, AN INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$7,145,000 GENERAL OBLIGATION BONDS OF THE CITY OF KINGSFORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

Passed: All present voting "aye," except Shull voting "nay."

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-127, A RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$7,145,000 GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSFORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

Passed: All present voting "aye," except Shull voting "nay."

5. Consideration of Initial and Detailed Bond Resolutions Authorizing the Issuance of Local Option Sales Tax Revenue and Tax Bonds in an Amount not to Exceed \$15,305,000 (AF: 364-2008). City Manager Campbell explained how these bond funds would be used to finance the MeadowView Conference Center expansion project and what that project would encompass. Mayor Phillips added that, in response to earlier comments made by Mr. Haynes, the BMA looks carefully at studies on these projects, reviews recommendations from the MeadowView Advisory Board and examines the overall community benefit of an expansion such as this one. Vice-Mayor Mallicote reiterated the Mayor's comment that 60% of MeadowView's tax revenues are received from visitors from out of the area and clarified that the quarter center sales tax, if abolished, would return twenty-five cents on every \$100 spent by citizens.

Alderman Shull referred to a recent opinion article by Alderman Marsh in the paper and stated that he and Mr. Marsh believe the MeadowView tax revenue should be used for property tax relief and not favor certain special interest groups. Both he and Mr. Marsh support limited and responsible government and are concerned about the level of debt incurred by this Board. It is his understanding that most citizens are against this extensive conference center renovation. At the request of Vice-Mayor Mallicote to identify the special interest groups, Alderman Shull stated the BMA has provided tax breaks over a two-year period to 1) the Crown Point/Food City development, 2) the out-of-town owners of the Fort Henry/Kingsport Mall, and 3) Eastman Chemical Company was given a \$21 million tax break, which tax breaks are not available to small businesses. Mayor Phillips objected to the last statement, saying any and all businesses are able to apply for TIF (tax increment financing).

Vice-Mayor Mallicote replied by pointing out that the City will receive huge revenue benefits in return for the Eastman tax break and encourages the company to keep its headquarters in Kingsport.

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At this point, Alderman Shupe read from the Board rules that state that Board members and staff should respect the decision of the majority and refrain from introducing debate or discussion on issues already decided. He added that, if the majority of the Board had not moved forward on many of these projects, the City would likely not have the MeadowView Conference Center, the Higher Education Center, East Stone Commons or Food City. He pointed out that Kingsport is faring much better, on a national scale, than most places, largely because of healthy retail sales tax garnered from these decisions.

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-128, AN INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$15,305,000 LOCAL OPTION SALES TAX REVENUE AND TAX BONDS OF THE CITY OF KINGSPORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

Passed: All present voting "aye," except Shull voting "nay."

Motion/Second: Joh/Mallicote, to pass:

Resolution No. 2009-129, A RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$15,305,000 LOCAL OPTION SALES TAX REVENUE AND TAX BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

Passed: All present voting "aye," except Shull voting "nay."

6. Consideration of Initial and Detailed Bond Resolutions

Authorizing the Issuance of General Public Improvement Bonds in an Amount not to Exceed \$12,305,000 (AF: 365-2008). City Manager Campbell described the projects that would be addressed with funding from these bond proceeds. At the request of Alderman Shupe, Mr. Campbell described the necessity and benefit of constructing a parking garage in the downtown area.

Motion/Second: Mallicote/Joh, to pass:

Resolution No. 2009-130, AN INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$12,305,000 GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS OF THE CITY OF KINGSPORT, TENNESSEE, TO PROVIDE FUNDING FOR CERTAIN PUBLIC WORKS PROJECTS AND TO FUND THE INCIDENTAL AND NECESSARY EXPENSES RELATED THERETO

Passed: All present voting "aye."

Motion/Second: Joh/Shupe, to pass:

Resolution No. 2009-131, A RESOLUTION AUTHORIZING THE EXECUTION, TERMS, ISSUANCE, SALE, AND PAYMENT OF NOT TO EXCEED \$12,305,000

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GENERAL OBLIGATION PUBLIC IMPROVEMENT BONDS, IN ONE OR MORE SERIES, OF THE CITY OF KINGSPORT, TENNESSEE, AND PROVIDING THE DETAILS THEREOF

Passed: All present voting "aye."

E. APPOINTMENTS.

1. Consideration of Reappointment to the Kingsport Beverage Board (AF: 352-2008).

Motion/Second: Joh/Mallicote, to approve the following reappointment:

REAPPOINT MR. NATHAN D. BLYE TO SERVE AN ADDITIONAL THREE-YEAR TERM ON THE KINGSPORT BEVERAGE BOARD, EFFECTIVE JANUARY 1, 2009 AND EXPIRING DECEMBER 31, 2011 (AF: 352-2008)

Passed: All present voting "aye."

VII. CONSENT AGENDA.

Motion/Second: Mallicote/Shupe, to adopt:

1. Consideration of an Ordinance Authorizing the Mayor to Execute a Quitclaim Deed to the Industrial Development Board of the City of Kingsport, Tennessee (AF: 348-2008).

Adopt:

Ordinance No. 5787, AN ORDINANCE TO AUTHORIZE THE MAYOR TO EXECUTE AND DELIVER A QUITCLAIM DEED TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF KINGSPORT, TENNESSEE FOR THREE TRACTS OF LAND LOCATED ON AND NEAR WEST MAIN STREET; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

Passed on second reading in a roll call vote: Joh, Mallicote, Shull, Shupe and Phillips voting "aye."

2. Consideration of an Ordinance to Appropriate Funds from the General Fund Balance for the Completion of the Construction of the Veterans Memorial (AF: 351-2008).

Adopt:

Ordinance No. 5788, AN ORDINANCE AN ORDINANCE TO AMEND THE SPECIAL PROGRAMS DIVISION IN THE GENERAL FUND BUDGET BY APPROPRIATING FUNDS FROM THE GENERAL FUND UNDESIGNATED FUND BALANCE TO COMPLETE CONSTRUCTION FOR THE VETERAN'S MEMORIAL FOR THE FISCAL YEAR ENDING JUNE 30, 2009; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

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Passed on second reading in a roll call vote: Joh, Mallicote, Shull, Shupe and Phillips voting "aye."

3. Consideration of Approval of Offer for Easements and Rights-of-Way for the Stone Edge Drive Slope Improvements Project (AF: 367-2008).

Approve:

OFFER FOR EASEMENTS AND RIGHTS-OF-WAY FOR THE STONE EDGE DRIVE SLOPE IMPROVEMENTS PROJECT

Passed on second reading in a roll call vote: Joh, Mallicote, Shull, Shupe and Phillips voting "aye."

4. Consideration of Approval of Offer for Easements and Rights-of-Way for the Chestnut Ridge Road Sewer Line Extension Project (AF: 368-2008).

Approve:

OFFER FOR EASEMENTS AND RIGHTS-OF-WAY FOR THE CHESTNUT RIDGE ROAD SEWER LINE EXTENSION PROJECT

Passed on second reading in a roll call vote: Joh, Mallicote, Shull, Shupe and Phillips voting "aye."

VIII. COMMUNICATIONS.

A. CITY MANAGER. Mr. Campbell announced that he had received a letter today from AT&T indicating the City had been awarded a \$50,000 grant to create a smart classroom in the Kingsport Higher Education building. He added that, although the official letter has not yet been received, the City is close to receiving good news about the *Safe Routes to Schools* grant regarding sidewalks at Kennedy School. He then asked Public Works Director Ryan McReynolds to explain the changes in garbage service pickup due to the Thanksgiving holiday.

B. MAYOR AND BOARD MEMBERS. Alderman Shupe wished all *Happy Thanksgiving* and thanked mentioned the pride the City has in the recently dedicated Veterans Memorial and the veterans honored there.

Alderman Joh shared she had went by the new Rock Springs school, which is looking great and expressed her appreciation again for the City's public art exhibits again after visiting other areas.

Vice-Mayor Mallicote commended the City's fire and police departments as a result of a vehicle accident that recently occurred at the home of a good friend. The friend was very complimentary of both departments in their response as being very polite and professional.

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Mayor Phillips mentioned that the Board will meet only one time in January, on January 12 and 13, 2009. He then thanked Chamber of Commerce president, Miles Burdine, and Bracken Paving for addressing the pothole located in the private road leading to Home Depot. Because the roadway was private and not public, as some citizens assumed, the City was kept from being able to repair the pothole.

The Mayor also mentioned that the Kingsport City Schools Board of Education was chosen the top School Board in the state and the City will be presenting them with a commendation from the BMA at the next meeting.

C. VISITORS. Ms. Barbara Brown emphasized that she would like to see candidates in the upcoming election to avoid smear tactics and campaign to win based on their own merits.

Ms. Catrina Estes, a Dobyns-Bennett High School student, thanked the Board for supporting the Veterans Memorial to be constructed near the high school. She and other students attended the dedication and, having a brother in the army, is appreciative of having something to honor area veterans.

Mr. Brian Hayes returned to the podium and asked Board members how much tax they believe is significant if the MeadowView tax is insignificant.

Vice-Mayor Mallicote responded that it's relevant to know that it's one quarter of one percent and it's absolutely pertinent to the discussion. City Manager Campbell added that, as one who has worked with City budgets for over 30 years, the City is working to ensure it has a sustainable future and there is a need for a viable future tax base which requires diversification. In comparing the top 25 taxpayers in Johnson City, those 25 together do not equal what Eastman pays the City of Kingsport in taxes and no other city in Tennessee has a taxpayer like that. Ultimately, assisting Eastman with the tax credit discussed earlier, will keep property taxes lower for the long term.

IX. ADJOURN. Seeing no other business for consideration at this meeting, Mayor Phillips adjourned the meeting at 8:45 p.m.

ELIZABETH A. GILBERT
Deputy City Recorder

DENNIS R. PHILLIPS
Mayor



AGENDA ACTION FORM

Public Hearing and Consideration of an Ordinance to Amend the Zoning Code, Text and Map, to Zone Property along Martin Luther King Drive, Carver Street, Douglas Street, and Louis Street to PVD, Planned Village District

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-358-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 16, 2008
 Staff Work By: Karen Combs
 Presentation By: Karen Combs

BMA Strategic Plan 2005-2006

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

CV #:

KSF #

KSO #

Recommendation:

- Hold public hearing.
- Approve ordinance amending the zoning ordinance to rezone along Martin Luther King Drive, Carver Street, Douglas Street, and Louis Street to PVD.

Executive Summary:

The request is to rezone property along Martin Luther King Drive, Carver Street, Douglas Street, and Louis Street (known as part of the Riverview Community) from B-3, General Business District and R-4, Multi-Family Residential District to PVD, Planned Village District. The rezoning request is made by the Kingsport Housing Authority as part of the HOPE VI project and will allow redevelopment at this location to be integrated with the existing neighborhood using Neo-traditional planning principles and flexible design. The Kingsport Regional Planning Commission unanimously sent a favorable recommendation for this request during their October 18, 2008 meeting to the Board of Mayor and Alderman. The Kingsport Housing Authority did hold neighborhood meeting at the Central Baptist Church on October 27, 2008 to answer questions. There were no objections to the rezoning. The Notice of Public Hearing was published November 10, 2008.

Attachments:

1. Staff Report
2. Notice of Public Hearing
3. Zoning Ordinance
4. Map

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Maness	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Phillips	—	—	—

REZONING REPORT
File No.: 08-101-00018

TO: KINGSFORT REGIONAL PLANNING COMMISSION

FROM: Karen B. Combs, PLANNER

DATE: November 24, 2008

APPLICANT: Kingsport Housing Authority

REQUESTED ACTION: City rezoning of approximately 18 acres of property from B-3, General Business District and R-4, Multi-Family Residential District to PVD, Planned Village District.

LOCATION: The Area encompasses several streets and is known as the Riverview Community as identified on Control Tax Map 61B, Group G, Parcels 2, 3, 5 -26 and Control Tax Map 61B, Group K, Parcels 1 and 2 and Control Tax Map 61G, Group A, Parcel 11 on the 2006 Sullivan County Tax Maps. The 28 lots are located in 11th Civil District.

EXISTING LAND USE: Mixture of Commercial, Multi-Family Residential and Civic

PROPOSED USE: Planned Village Mixed use development

SURROUNDING ZONING AND LAND USE:

North: M-2, General Industrial District with the railroad.

South: R-1C, Single Family Residential District with the single family residents.

East: M-2 General Industrial District and currently houses Eastman Chemical Company's Corporate Headquarters.

West: R-1C, Single Family Residential District with the single family residents and M-2 General Industrial District with General Shale.

LAND USE PLAN (S): The site is inside the 2010 Conceptual Land Use Plan (Kingsport Land use Plan, 1988) and the recommended land use for this area according to the plan is Residential.

UTILITIES: Water and Sanitary sewer are furnished to the site and are adequate for the development.

TRANSPORTATION: The property is located in the Riverview community and fronts several streets. All streets are listed as local/residential streets according to the Major Street & Road Plan (2000).

PHYSICAL CHARACTERISTICS:

The property requesting rezoning totals approximately 18 acres in area. The topography is relatively flat. Staff does not foresee any problems in redeveloping this site to PVD standards.

OPTIONS: The Planning Commission's options are as follows:

1. Approve the rezoning.
2. Disapprove the rezoning and state the reasons for denial in writing.
3. Postpone action pending receipt of additional information.

STAFF

RECOMMENDATION: The Kingsport Planning Division recommends Option 1 for the following reason:

1. The rezoning conforms with the adopted Long Range Land Use Plan
2. This request is compatible and in keeping with the Planned Village District intent and will allow this area to be developed in a traditional neighborhood design.

The Riverview Village Master Plan

Utilization of the Planned Village District allows the various projects to be developed as complementary portions of an overall master plan. The HOPE VI Plan for the 18.7 acres at the entrance to the Riverview area is composed of four integrated elements:

- 1. The Village Edge Residential – Riverview Place HOPE VI housing.**
- 2. The Commercial Village Center – Between rail road tracks and Martin Luther King Junior Drive reserved for nonresidential development.**
- 3. The Village Green – The existing play fields and the splash pad.**
- 4. The Civic Village Center – The former Dobbins High School building.**

1. The Village Edge Residential.

The Riverview Revitalization Plan under the HOPE VI Grant literally reinvents the site. Severe building deficiencies and infrastructure deterioration and the high cost to address these resulted in the decision to demolish the existing structures.

The 4.2 acre site is in a predominately residential neighborhood with close proximity to Wilcox road and convenient access to the schools and Central Business District. Previously, the site had brick “barrack style” buildings with 92 apartments resulting in an excessively dense residential area.

The new site plan incorporates 16 single-family three bedroom, two bath houses, as well as 16 two bedroom, two bath dwellings in 8 duplex buildings. Additionally, 6 scattered sites have been acquired to build 6 single dwellings with 3 bedrooms, 2 baths. Thus, a total of 38 premier rental units will be constructed in the community of which 32 are within the Riverview Village Plan area. Construction is projected to be completed by early 2010.

2. The Commercial Village Center

Another goal of HOPE VI is to revitalize the businesses and buildings along Martin Luther King, Jr. Drive. Currently, most are in poor condition and not operational. The goal is to rehab or demolish those that are acquired and attract new small community type businesses and community facilities.

A new community center is planned to be constructed that will include the following:

- KHRA’s administrative & maintenance office for the rental units**
- KHRA’s Community Supportive Services/Family Self Sufficiency/ Homeownership Programs**

- **Satellite site for Boys & Girls Club**
- **Community Food Bank**
- **Community room**
- **Kitchen**
- **Computer Lab**
- **Conference Room**

3. The Village Green

The Village Green is composed of the existing play fields and splash park that nicely complement the other planned improvements.

4. The Civic Village Center

In addition to the complete transformation of a portion of the residential and commercial districts within the Riverview Community the City of Kingsport is also moving forward with plans to rehab and expand the existing V. O. Dobbins Community Center. Programming and schematic design has been underway on this project since the fall of 2007. Recently the Board of Mayor and Alderman approved funding to move forward with the construction design for this project with an anticipated construction date set for January 2009 with completion set for the summer of 2010.

Listed as a leverage project in the recently awarded HOPE VI grant, the V.O. Dobbins Community Center will receive much needed improvements as well as three new additions. Those additions will include a new education wing, new regulation size gymnasium, and a new three story nonprofit wing. Rehab to the existing structure will consist of the following; new roof, new HVAC, new windows, interior lighting improvements, and a variety of interior enhancements such as new paint and floor coverings.

The proposed improvements and new additions to this center will result in a more efficient building with an expanded use that will benefit not only the Riverview Community but the entire City of Kingsport as well.

Utilization of the Planned Village District will allow the various projects to be fully integrated into a plan that encompasses the VO Dobbins Center as the Village Center, the homes and business / community being the Village Edge properties, and the green space, splash pad, etc forming the Village Green.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on Tuesday November 18, 2008 to consider the rezoning for Parcels 2, 3, 5 -26 on tax map 61B Group G and tax map 61B, Group K, Parcels 1 and 2 and tax map 61G, Group A, Parcel 11 located in the Riverview Neighborhood from R-4, Multi-Family Residential to PVD, Planned Village District. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for rezoning is generally described as follows:

Beginning at the northwest corner of parcel 26 on tax map 61B, Group G, said point being located along the southern edge of the Clinchfield Railroad Right of Way; thence following the Right of Way in a southeasterly direction approximately 1,125 feet to a point said point being the north eastern corner of parcel 2 and southern Right of Way for the Clinchfield Railroad; thence in a southerly direction following the property line of parcel 2 approximately 100 feet to a point, said point being the south eastern corner of parcel 2 and the northern Right of Way of Martin Luther King Drive; thence in a southerly direction crossing Right of Way of Martin Luther King Drive approximately 25 feet to a point, said point being the center of the Right of Way of Martin Luther King Drive; thence in a easterly direction approximately 115 feet; thence in a southerly direction approximately 25 feet to a point said point being and the north east corner of parcel 11 on tax map 61B, Group A and the southern Right of Way of Martin Luther King Drive; thence in a southerly direction approximately 859 feet following the property line of parcel 11 to a point said point being the northern right of way of James Street; thence in a easterly direction approximately 73 feet to the end of the Right of Way for James Street; thence in a southerly direction approximately 50 feet to a point said point being the corner of parcel 1 on tax map 61G, Group A and the southern Right of Way of James Street; thence in a westerly direction approximately 548 feet crossing the Right of Way for Wheatley Street to a point said point being the center line of the Right of Way for Louis Street and parcel 39 of tax map 61G; thence in a north westerly direction approximately 238 feet to a point said point being the mid-point of the intersection of Louis Street and Douglass Street Right of Ways; thence following the middle of the Right of Way along Douglass Street in a southerly direction approximately 325 feet to a point said point being the mid-point of the intersection of Louis Street and Carver Street Right of Ways; thence following the center of the Right of Way line for Carver Street approximately 625 feet to a point said point being the mid-point of the intersection of Martin Luther King Drive and Carver Street Right of Ways; thence following the center of the Right of Way line for Martin Luther King Drive in a southwesterly direction approximately 530 to a point said point being the end of the Right of Way for Martin Luther King Drive and parcel 9 on tax map 46P, Group F; thence in a northerly direction approximately 125 feet to the point of beginning. Said parcels contain 18 Acres, more or less as shown on the April 2008 Sullivan County tax map 61B, Group G, Parcels 2, 3, 5 -26 and tax map 61B, Group K, Parcels 1 and 2 and tax map 61G, Group A, Parcel 11.

All interested persons are invited to attend this meeting and public hearing. A detailed map and

description is on file in the offices of the City Manager and Planning Manager for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9485.

CITY OF KINGSPORT

Liz Gilbert, City Clerk

PIT: 11/4/06

PRE-FILED

ORDINANCE NO. _____ CITY RECORDER

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG MARTIN LUTHER KING DRIVE, CARVER STREET, DOUGLAS STREET, AND LOUIS STREET TO PVD, PLANNED VILLAGE DISTRICT, IN THE 11TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSFORT, FOLLOWS:

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property along Martin Luther King Drive, Carver Street, Douglas Street, and Louis Street to PVD, Planned Village District in the 11th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

Beginning at the northwest corner of parcel 26 on tax map 61B, Group G, said point being located along the southern edge of the Clinchfield Railroad Right of Way; thence following the Right of Way in a southeasterly direction approximately 1,125 feet to a point said point being the north eastern corner of parcel 2 and southern Right of Way for the Clinchfield Railroad; thence in a southerly direction following the property line of parcel 2 approximately 100 feet to a point, said point being the south eastern corner of parcel 2 and the northern Right of Way of Martin Luther King Drive; thence in a southerly direction crossing Right of Way of Martin Luther King Drive approximately 25 feet to a point, said point being the center of the Right of Way of Martin Luther King Drive; thence in a easterly direction approximately 115 feet; thence in a southerly direction approximately 25 feet to a point said point being and the north east corner of parcel 11 on tax map 61B, Group A and the southern Right of Way of Martin Luther King Drive; thence in a southerly direction approximately 859 feet following the property line of parcel 11 to a point said point being the northern right of way of James Street; thence in a easterly direction approximately 73 feet to the end of the Right of Way for James Street; thence in a southerly direction approximately 50 feet to a point said point being the corner of parcel 1 on tax map 61G, Group A and the southern Right of Way of James Street; thence in a westerly direction approximately 548 feet crossing the Right of Way for Wheatley Street to a point said point being the center line of the Right of Way for Louis Street and parcel 39 of tax map 61G; thence in a north westerly direction approximately 238 feet to a point said point being the mid-point of the intersection of Louis Street and Douglas Street Right of Ways; thence following the middle of the Right of Way along Douglass Street in a southerly direction approximately 325 feet to a point said point being the mid-point of the intersection of Louis Street and Carver Street Right of Ways; thence following the center of the Right of Way line for Carver Street approximately 625 feet to a point said point being the mid-point of the intersection of Martin Luther King Drive and Carver Street Right of Ways; thence following the center of the Right of Way line for Martin Luther King Drive in a southwesterly direction approximately 530 to a point said point being the end of the Right of Way for Martin

Luther King Drive and parcel 9 on tax map 46P, Group F; thence in a northerly direction approximately 125 feet to the point of beginning. Said parcels contain 18 Acres, more or less as shown on the April 2008 Sullivan County tax map 61B, Group G, Parcels 2, 3, 5 -26 and tax map 61B, Group K, Parcels 1 and 2 and tax map 61G, Group A, Parcel 11.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

SECTION III. That this ordinance shall take effect from and after the date of its passage and publication, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

SCALE, R.T.S.

model	1000-20
country	
capacity	
density	1839
population	20073
country code	
area	14.46

**Cain
Rash
West**
Architects

DOUGLASS VILLAGE
MASTER PLAN
KINGSPORT, TENNESSEE



AGENDA ACTION FORM

Public Hearing and Consideration of Ordinances to Annex/ Amend Zoning of the Cleek Road Annexation and Consideration of a Resolution Adopting the Plan of Services

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF: 354-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 16, 2008
 Staff Work By: K. Weems
 Presentation By: K. Weems

Recommendation:

- Hold public hearing
- Approve ordinance for the Cleek Road Annexation
- Approve ordinance amending the zoning ordinance for the Cleek Road Annexation
- Approve resolution adopting a plan of services for the annexation area

Executive Summary:

This is the "Cleek Road" Annexation of approximately 8.4 acres along Cleek Road, with a population of zero residents. The current county zoning of the area is A-1 (Agricultural & Residential). The proposed city zoning for the area is R-1B. Adjacent zoning consists of county A-1 (the surrounding Cleek Farm), City M-1R (light manufacturing), and City R-1B (single family residential). Water service will require an extension for this annexation. Sanitary sewer service already serves the annexation area. During its October 2008 regular meeting, the Kingsport Regional Planning Commission voted unanimously (7-0) to send a positive recommendation for the annexation, zoning, and plan of services to the Board of Mayor and Aldermen for this annexation. This item has received zero opposition as of November 18, 2008. The Notice of Public Hearing was published on November 17, 2008.

Attachments:

1. Staff Report
2. Notice of Public Hearing
3. Annexation Petition
4. Cost Analysis
5. Annexation Ordinance
6. Zoning Ordinance
7. Resolution
8. Map

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

**ANNEXATION REPORT
CLEEK ROAD ANNEXATION, FILE: 08-301-00022**

TO: KINGSPORT REGIONAL PLANNING COMMISSION

FROM: Ken Weems, Planner

DATE: 2 October 2008

APPLICANT: Mr. & Mrs. Vanover (property owners) and the City of Kingsport

REQUESTED ACTION: Owner-petitioned annexation and zoning to an R-1B, Residential District, of approximately 8.4 acres.

LOCATION: The annexation area consists of a portion of Cleeck Road not in the city, as well as two portions of the Cleeck Farm. The two portions of the Cleeck Farm include area for Cleeck Road improvements and the future home site.

EXISTING LAND USE: Agricultural/ Residential

PROPOSED USE: Residential

SURROUNDING ZONING DISTRICTS & LAND USES:

North: County A-1 zoning/ surrounding Cleeck Farm

South: City R-1B zoning/ single family

East: County A-1 zoning/ surrounding Cleeck Farm

West: City R-1B & City M-1R/ single family & vacant use respectively

LAND USE PLAN (S):

The 2010 Land Use Plan addresses this area as Single Family, with a small portion in the middle of the annexation area designated as Resource Production and Extraction. The Sullivan County Land Use Plan addresses this area's use as Agricultural/ Single-Family Residential.

UTILITIES:

Water services will require an extension for this annexation

Sewer is already provided to the annexation area

TRANSPORTATION:

The annexation area contains approximately 1,080 feet of Cleek Road, identified as a collector street in the *Kingsport Area 2010 Major Street and Road Plan*.

POPULATION:

Currently, this annexation area contains zero residences.

PHYSICAL CHARACTERISTICS:

The physical characteristics of the property involved consist of level terrain on the northern end of the annexation area, with steeply sloped terrain characterizing the southern end of the annexation area.

OPTIONS: The Planning Commission's options are the following:

1. Send a favorable recommendation for annexation to the Board of Mayor and Alderman.
2. Recommend disapproving the annexation, stating the reasons in writing.
3. Postpone action until additional information is presented.

STAFF RECOMMENDATION:

The Planning Division recommends option #1, the annexation of the parcel identified in this study to the Planning Commission and the Board of Mayor and Aldermen. The rationale for this recommendation is based on the following:

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN to all citizens of the City of Kingsport, Tennessee, to all persons interested, and the public at large that the City of Kingsport Board of Mayor and Aldermen will conduct a Public Hearing during its regular business meeting on Tuesday, December 2, 2008, to consider the annexation, zoning, and plan of services for the Cleek Road annexation. The regular business meeting will begin at 7:00 p.m. in the large courtroom located on the second floor of City Hall, at 225 W. Center Street, Kingsport, Tennessee.

The property proposed for annexation is generally described as follows:

PART "A"

BEGINNING at a point, said point being the southeastern corner of parcel 60.50, Tax Map 47D, in common with the northern right-of-way of Cleek Road, thence in a easterly direction, following the northern right-of-way of Cleek Road, approximately 750 feet to a point, thence in a northeasterly direction, approximately 500 feet to a point, thence in a southeasterly direction, approximately 300 feet to a point, thence in a southwesterly direction, approximately 530 feet to a point in common with the westerly right-of-way of Cleek Road, thence in a northwesterly direction, following the westerly right-of-way of Cleek Road, approximately 1,050 feet to a point, thence in a northerly direction, crossing Cleek Road, approximately 30 feet to the point of BEGINNING, and being a portion of parcel 60, Tax Map 47D, as well as a portion of Cleek Road, approximately 1,050 feet in length, as shown on the 2008 Sullivan County Tax Maps.

PART "B"

BEGINNING at a point, said point being the northern corner of parcel 34, Tax Map 47E, thence in a northwesterly direction, approximately 240 feet to a point, thence in a southwesterly direction, approximately 840 feet to a point in common with the eastern right-of-way of Cleek Road, thence in a southeasterly direction, approximately 345 feet, following the eastern right-of-way of Cleek Road to a point, said point being the eastern right-of-way of Cleek Road in common with the northern boundary of parcel 54, thence in a northeasterly direction, approximately 265 feet to a point, thence in an easterly direction, approximately 165 feet, crossing a portion of parcel 54 to a point in common with parcel 34, thence in a northwesterly direction, approximately 95 feet to a point, said point being the western corner of parcel 34, thence in a northwesterly direction, approximately 230 feet to the point of BEGINNING, and being a portion of parcels 60 and 54, Tax Map 47E, as shown on the 2008 Sullivan County Tax Maps.

All interested persons are invited to attend this meeting and public hearing. A detailed map, description, and plan of services document is on file in the offices of the City Manager, Planning Manager, and Kingsport Library for inspection. Additional information concerning this proposal may be obtained by contacting the Kingsport Planning Division of the Development Services Department, telephone 423-229-9485.

CITY OF KINGSPORT
Liz Gilbert, City Clerk
P1T: 11/17/08



CITY OF KINGSPORT, TENNESSEE

Petition for Annexation

We, the property owners of record, hereby petition the City of Kingsport to be annexed.

1.	name: <u>William H. Hines</u>	address: <u>2233 Creek Rd</u>	parcel # (if known): <u>portion of 60^{ac}</u>
	phone: <u>423-288-7093</u>	email address: <u>r2vanover@charter.net</u>	# in household & ages:
2.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
3.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
4.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
5.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
6.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
7.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
8.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
9.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:
10.	name:	address:	parcel # (if known):
	phone:	email address:	# in household & ages:

continue on opposite side

Cleek Road Annexation

COST/BENEFIT ANALYSIS

Revenues	One Time	Reoccurring	(LOSS from current)
Property Taxes	X	TBD/ County Tax Assessor	X
State Shared	X	X	X
In County Water Rate	X	X	n/a
In City Water Rate	X	X	n/a
In County Sewer Rate	X	X	n/a
In City Sewer Rate	X	X	n/a
Other: Water Taps	X	X	X
Sewer Tap Fees	X	X	X
Total	\$0.00	\$0.00	n/a

utility dif

Expenses	One Time	Reoccurring
Operating Budget		
Police	0.00	0.00
Fire	0.00	0.00
Street Lighting	1,741.00	917.00
Recreation	0.00	0.00
Zoning Services	0.00	0.00
Schools	0.00	0.00
Traffic Controls	0.00	0.00
Streets & Sanitation	0.00	1,014.00
Subtotal	1,741.00	1,931.00
Capital Budget		
Water	150,000.00	0.00
Sewer	0.00	0.00
Roads	0.00	869.00
Schools	0.00	0.00
Police - Car	0.00	0.00
Subtotal	150,000.00	869.00
Grand Total	151,741.00	2,800.00

**PRE-FILED
CITY RECORDER**

ORDINANCE NO. _____

AN ORDINANCE TO ANNEX THAT CERTAIN TERRITORY ADJOINING THE PRESENT CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, EMBRACING THAT CERTAIN PART OF THE 10TH CIVIL DISTRICT OF SULLIVAN COUNTY, TENNESSEE, AND KNOWN AS THE CLEEK ROAD ANNEXATION, AS HEREINAFTER DESCRIBED; TO INCORPORATE THE SAME WITHIN THE CORPORATE BOUNDARIES OF THE CITY OF KINGSPORT, TENNESSEE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, a public hearing before the Board of Mayor and Aldermen of the City of Kingsport, Tennessee, was held on the 2nd day of December, 2008, and notice thereof published in the Kingsport Times-News on the 17th day of November, 2008; and

WHEREAS, the property owners initiated the annexation of the territory herein described to the City of Kingsport; and

WHEREAS, the board of mayor and aldermen finds that the annexation will materially benefit the health, safety, and welfare of the citizens and property owners of the city and the territory annexed; and

WHEREAS, the annexation of such property is deemed necessary for the welfare of the residents and property owners thereof and the city as a whole; and

WHEREAS, a plan of services for this area was adopted by Resolution the 16th day of December, 2008 as required by Tenn. Code Ann., 6-51-102, et seq.

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. Pursuant to the authority conferred by Tennessee Code Annotated §6-51-102 et seq. there is here by annexed to the City of Kingsport, Tennessee, and incorporated within the corporate boundaries thereof, the following described territory adjoining the present corporate boundaries: embracing that certain part of Civil District No. 10 of Sullivan County, Tennessee, and more fully described to-wit:

Tract 1:

BEGINNING at a point, said point being the southeastern corner of parcel 60.50, Tax Map 47D, in common with the northern right-of-way of Cleek Road, thence in a easterly direction, following the northern right-of-way of Cleek Road, approximately 750 feet to a point, thence in a northeasterly direction, approximately 500 feet to a point, thence in a southeasterly direction, approximately 300 feet to a point, thence in a southwesterly direction, approximately 530 feet to a point in common with the westerly right-of-way of Cleek Road, thence in a northwesterly direction, following the westerly right-of-way of Cleek Road, approximately 1,050 feet to a point, thence in a northerly direction, crossing Cleek Road, approximately 30 feet to the point of BEGINNING, and being a

portion of parcel 60, Tax Map 47D, as well as a portion of Cleek Road, approximately 1,050 feet in length, as shown on the 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the northern corner of parcel 34, Tax Map 47E, thence in a northwesterly direction, approximately 240 feet to a point, thence in a southwesterly direction, approximately 840 feet to a point in common with the eastern right-of-way of Cleek Road, thence in a southeasterly direction, approximately 345 feet, following the eastern right-of-way of Cleek Road to a point, said point being the eastern right-of-way of Cleek Road in common with the northern boundary of parcel 54, thence in a northeasterly direction, approximately 265 feet to a point, thence in an easterly direction, approximately 165 feet, crossing a portion of parcel 54 to a point in common with parcel 34, thence in a northwesterly direction, approximately 95 feet to a point, said point being the western corner of parcel 34, thence in a northwesterly direction, approximately 230 feet to the point of BEGINNING, and being a portion of parcels 60 and 54, Tax Map 47E, as shown on the 2008 Sullivan County Tax Maps.

SECTION II. That this ordinance shall take effect from and after the date of its passage, as the law directs, the public welfare of the citizens of Kingsport, Tennessee, requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

APPROVED AS TO FORM:

ELIZABETH A. GILBERT
Deputy City Recorder

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

PRE-FILED CITY RECORDER

ORDINANCE NO. _____

AN ORDINANCE TO FURTHER AMEND THE ZONING CODE, TEXT AND MAP, TO ZONE PROPERTY ALONG CLEEK ROAD TO R-1B, RESIDENTIAL DISTRICT, IN THE 10TH CIVIL DISTRICT OF SULLIVAN COUNTY; TO FIX A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, AS FOLLOWS:

SECTION I. That the zoning code, text, and map, be and the same is hereby further amended to rezone property along Cleek Road to R-1B, Residential District in the 10th Civil District of Sullivan County; said property to be rezoned being further and more particularly described as follows:

Tract 1:

BEGINNING at a point, said point being the southeastern corner of parcel 60.50, Tax Map 47D, in common with the northern right-of-way of Cleek Road, thence in a easterly direction, following the northern right-of-way of Cleek Road, approximately 750 feet to a point, thence in a northeasterly direction, approximately 500 feet to a point, thence in a southeasterly direction, approximately 300 feet to a point, thence in a southwesterly direction, approximately 530 feet to a point in common with the westerly right-of-way of Cleek Road, thence in a northwesterly direction, following the westerly right-of-way of Cleek Road, approximately 1,050 feet to a point, thence in a northerly direction, crossing Cleek Road, approximately 30 feet to the point of BEGINNING, and being a portion of parcel 60, Tax Map 47D, as well as a portion of Cleek Road, approximately 1,050 feet in length, as shown on the 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the northern corner of parcel 34, Tax Map 47E, thence in a northwesterly direction, approximately 240 feet to a point, thence in a southwesterly direction, approximately 840 feet to a point in common with the eastern right-of-way of Cleek Road, thence in a southeasterly direction, approximately 345 feet, following the eastern right-of-way of Cleek Road to a point, said point being the eastern right-of-way of Cleek Road in common with the northern boundary of parcel 54, thence in a northeasterly direction, approximately 265 feet to a point, thence in an easterly direction, approximately 165 feet, crossing a portion of parcel 54 to a point in common with parcel 34, thence in a northwesterly direction, approximately 95 feet to a point, said point being the western corner of parcel 34, thence in a northwesterly direction, approximately 230 feet to the point of BEGINNING, and being a portion of parcels 60 and 54, Tax Map 47E, as shown on the 2008 Sullivan County Tax Maps.

SECTION II. Any person violating any provisions of this ordinance shall be guilty of an offense and upon conviction shall pay a penalty of FIFTY DOLLARS (\$50.00) for each offense. Each occurrence shall constitute a separate offense.

SECTION III. That this ordinance shall take effect from and after the date of its passage and publication, as the law directs, the public welfare of the City of Kingsport, Tennessee requiring it.

DENNIS R. PHILLIPS
Mayor

ATTEST:

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY
City Attorney

PASSED ON 1ST READING _____
PASSED ON 2ND READING _____

RESOLUTION NO.

A RESOLUTION ADOPTING A PLAN OF SERVICES FOR THE CLEEK ROAD ANNEXATION OF THE CITY OF KINGSPORT, TENNESSEE

WHEREAS, before any territories may be annexed under Tennessee Code Annotated §6-51-102, the governing body shall have previously adopted a plan of services setting forth the identification and timing of municipal services; and

WHEREAS, before any such plan of services shall have been adopted, it must have been submitted to the local planning commission for study and a written report; and

WHEREAS, a plan of services for the proposed annexation of the Cleek Road Property was submitted to the Kingsport Regional Planning Commission on October 16, 2008, for its consideration and a written report; and

WHEREAS, prior to the adoption of a plan of services, the City shall hold a public hearing; and

WHEREAS, a public hearing was held December 2, 2008; and

WHEREAS, notice of the time and place of the public hearing shall be published in a newspaper of general circulation in the municipality a minimum of seven (7) days prior to the hearing; and

WHEREAS, notice of the time and place of the public hearing was published in the Kingsport Times-News on November 17, 2008; and

WHEREAS, the City of Kingsport, pursuant to the provisions of Tennessee Code Annotated, §6-51-102 has endeavored to annex a portion of the 10th Civil District of Sullivan County, Tennessee, commonly known as the Cleek Road Annexation, said area being bounded and further described as follows:

Tract 1:

BEGINNING at a point, said point being the southeastern corner of parcel 60.50, Tax Map 47D, in common with the northern right-of-way of Cleek Road, thence in a easterly direction, following the northern right-of-way of Cleek Road, approximately 750 feet to a point, thence in a northeasterly direction, approximately 500 feet to a point, thence in a southeasterly direction, approximately 300 feet to a point, thence in a southwesterly direction, approximately 530 feet to a point in common with the westerly right-of-way of Cleek Road, thence in a northwesterly direction, following the westerly right-of-way of Cleek Road, approximately 1,050 feet to a point, thence in a northerly direction, crossing Cleek Road, approximately 30 feet to the point of **BEGINNING**, and being a portion of parcel 60, Tax Map 47D, as well as a portion of Cleek Road, approximately 1,050 feet in length, as shown on the 2008 Sullivan County Tax Maps.

Tract 2:

BEGINNING at a point, said point being the northern corner of parcel 34, Tax Map 47E, thence in a northwesterly direction, approximately 240 feet to a point, thence in a southwesterly direction, approximately 840 feet to a point in common with the eastern right-of-way of Cleek Road, thence in a southeasterly direction, approximately 345 feet, following the eastern right-of-way of Cleek Road to a point, said point being the eastern right-of-way of Cleek Road in common with the northern boundary of parcel 54, thence in a northeasterly direction, approximately 265 feet to a point, thence in an easterly direction, approximately 165 feet, crossing a portion of parcel 54 to a point in common with parcel 34, thence in a northwesterly direction, approximately 95 feet to a point, said point being the western corner of parcel 34, thence in a northwesterly direction, approximately 230 feet to the point of BEGINNING, and being a portion of parcels 60 and 54, Tax Map 47E, as shown on the 2008 Sullivan County Tax Maps.

AND WHEREAS, the City of Kingsport deems it advisable to adopt a Plan of Services for the proposed annexation area. Now, therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN, AS FOLLOWS:

SECTION I. That a Plan of Services for the Cleek Road Annexation as bounded and described above is hereby adopted, subject to an enactment of an annexation ordinance for the annexation area, the said Plan of Services to be as follows:

**Cleek Road Annexation
Plan of Services**

1. Police Protection

- A. On the date of annexation the Kingsport Police Department will respond to all calls for service for police protection, including criminal calls, traffic accidents and traffic related occurrences, and other prevention and interdiction calls for service.
- B. Effective with annexation, all resources currently available within the Kingsport Police Department will become available to the citizens of the area. The Kingsport Police Department has an authorized accredited force of 103 police officers and approximately 60 civilian personnel to provide services 24-hours per day, 365 days a year.
- C. The Kingsport Police Department is accredited with the *Commission on Accreditation for Law Enforcement Agencies* and has met 312 mandatory and 100 optional standards in order to attain this status. Kingsport Police Department was only the third accredited department in the State of Tennessee and the first in northeast Tennessee.
- D. Upon annexation, existing police department personnel will be utilized to provide services by expanding the contiguous patrol sections to include the newly

incorporated area. Existing police personnel and equipment will be shifted to provide needed coverage of the area. Each section will be patrolled by units of the Kingsport Police Department and will be augmented by other departments and units such as investigators, specialized assigned details etc.

- E. When needed, the Kingsport Police Department will hire additional police officers to provide more response to annexed areas. The officers will undergo seven hundred twenty (720) hours of basic recruit training before being certified as a police officer. Upon completion of the classroom training, the officers will undergo six hundred forty (640) hours of field office training where they will work and be trained by designated training officers.
- F. The Kingsport Police Department will provide upon request crime prevention programs, traffic safety education programs, drug education/awareness programs including D.A.R.E. to the citizens of the area. Additional programs include department personnel to address groups on law enforcement topics or concerns, home and business security checks and establishing and maintaining neighborhood watch programs.
- G. The Kingsport Police Department currently maintains a 4.5-minute response time to all incidents within the corporate limits.

2. Fire Protection

- A. On the operative date of annexation, the City of Kingsport will answer all calls for service for fire, disaster, hazardous materials, special rescue and medical first responder. The Kingsport Fire Department goes beyond the basic fire services required of a City Government.
- B. The City of Kingsport Fire Department is an Internationally Accredited Agency, one of only two in the State of Tennessee. We operate 6 fire stations, housing fire suppression, hazardous materials, rescue and other emergency equipment. Staffed by 94 full-time professional firefighters, 24 hours a day, 365 days a year to provide service. The City of Kingsport maintains a Class 3 insurance rating saving its residents the most possible on their insurance rates. Our response time average is approximately 4 minutes, 15 seconds after we receive the call from our dispatch center.
- C. Free fire safety inspections will be available upon request on the effective date of annexation. Water lines will be upgraded within five (5) years after the effective date of annexation to provide needed fire flow to protect the properties.
- D. All structures must be brought into compliance with the City-wide smoke detector ordinance within thirty (30) days of the effective date of annexation. This is strictly to provide residents with the best fire protection service available.
- E. The City of Kingsport Fire Department has a Hazardous Materials Response Team, which has state-of-the-art equipment to handle all calls of an emergency nature dealing with incidents relating to hazardous chemicals. The department also has a Technical Rescue Team that has specialized rescue capabilities and equipment for all types of hazards.

- F. The City of Kingsport Fire Department provides First Responder emergency medical services to all life-threatening medical emergencies resulting from serious illness or injury. We provide advanced life support (paramedics) for victims until ambulance service arrives for transport.

3. Water

- A. Water will be billed at in City rates rather than out of City rates, which will result in a reduction in water rates for annexed citizens already receiving City water. Those not currently receiving City water will be required to obtain a water-tap in order to obtain City water.
- B. Water line upgrades and the installation of fire hydrants will commence for adequate fire protection and will be completed within five (5) years after the effective date of annexation.
- C. The City of Kingsport Water Department operates and maintains a 28 MGD water filtration plant, 22 water storage tanks, 15 water booster station and over 750 miles of waterlines. The water treatment plant is staffed by state certified operators 24 hours a day, 365 days a year to provide safe drinking water to our customers.
- D. The City of Kingsport Water Department meets or exceeds water quality standards set forth by the State of Tennessee and the United States Environmental Protection Agency. The plant was the recipient of the 2005 Julian Fleming Award for Outstanding Water Treatment Plants.
- E. The Kingsport Water Treatment Plant has a capacity of 28 MGD and an average daily demand of 15 MGD leaving a surplus capacity of approximately 18 MGD for increased demand.
- F. The Water Distribution Division is managed with a professional staff who are members of key professional organizations such as: American Water Works Association, Tennessee Association of Utility Districts, National Society of Professional Engineers, American Society of Civil Engineers. Several key members of the staff also hold certificates and licenses in the operations of a distribution system in the State of Tennessee.

4. Electricity

Electric service in this area is currently under the jurisdiction of AEP and is currently available. Street lighting will be provided generally within five years of the City of Kingsport's request for such service.

5. Sanitary Sewer

- A. City of Kingsport sanitary sewer is installed and currently available. Citizens in the annexed territory will be responsible and required to obtain a sewer-tap from the City of Kingsport before connection to the sanitary sewer system.
- B. Sanitary sewer fees are based on usage of water and are direct reflection of the amount of water used by the resident.

- C. The City of Kingsport operates and maintains a 12.4 MGD wastewater treatment plant, 88 sewer lift stations and approximately 525 miles of sanitary sewer collection lines in to provide sewer service to our customers.
- D. The City of Kingsport Wastewater Treatment Plant will experience 20 million dollars of improvements to provide a reliable and dependable infrastructure.
- E. The wastewater treatment plant is staffed with State Certified Operators 24 hours a day, 365 days a year. Treatment plant operators exceed State of Tennessee training requirements.
- F. The Sewer Collection Division is managed with a professional staff who are members of key professional organizations such as: Water Environment Federation, Tennessee Association of Utility Districts, National Society of Professional Engineers, American Society of Civil Engineers. Several key members of the staff also hold certificates and licenses in the operations of a collection system in the State of Tennessee.

6. Solid Waste Disposal

Sanitation garbage (routine household refuse), trash (grass clippings, tree trimmings, bulky items), and recycling collection will be provided to the annexed area on the same basis as that received by properties located within the existing City Limits. Collection will begin within thirty (30) days following the effective date of annexation. The Sanitation Division supervisor is certified through SWANA as a Certified MSW Management Manager, and Certified Transfer Station Manager. Members of the collection crews receive ongoing training in their fields. The City of Kingsport also owns and operates a demolition landfill that residents can use for a fee. That landfill is supervised by a SWANA certified Manager of Landfill Operations. This supervisor also holds other certifications from SWANA and TDEC.

7. Public Road/Street Construction & Repair

- A. Emergency and routine maintenance of streets and street signs, pavement markings and other traffic control devices will begin on the operative date of annexation. Emergency pothole repairs are generally made within 24 hours of notification. Crews are available on a 24 hour basis for major emergency call-outs.
- B. Cleaning of streets of snow and ice clearing will begin on the operative date of annexation on the same basis as now provided within the present City limits. This includes major thoroughfares, State highways and emergency route to hospitals as first priority, with secondary/collector streets and finally residential streets in that order as priority II. Snow removal crews receive yearly training to help keep them up to date with changes in procedures and techniques. Snow removal crews also respond on a 24 hour emergency call in basis.
- C. Streets affected by utility construction will be repaired as soon as possible after the utility construction is completed.
- D. Routine Right of Way maintenance is also provided on the effective date of annexation. These crews include a certified Arborist, certified Pesticide Applicators,

and other trained personnel to respond to emergencies and routine maintenance requests.

- E. The Streets and Sanitation Division is managed and supervised by a professional staff who are members in good standing of several Professional Organizations such as the Tennessee Chapter of the American Public Works Association, the national chapter of the American Public Works Association, the Volunteer Chapter of the Solid Waste Association of North America, the national chapter of the Solid Waste Association of North America, the Tennessee Urban Forestry Council, the Tennessee Nursery and Landscape Association, National Arbor Day Association, Tennessee Vegetation Management Association, and the Keep Kingsport Beautiful Council. The staff receives ongoing training through these Professional Organizations. Members of the staff are active in their respective organizations. Members of the staff also serve as trainers and instructors for various training venues.

8. Recreational Facilities

- A. Residents of the annexed area may use existing City recreational facilities, programs, parks, etc. on the effective date of annexation at City rates rather than out of City rates.
- B. Residents of the annexed area may use all existing library facilities and will be exempt from the non-residential fee on the effective date of annexation.
- C. Residents of the annexed area (50 years or older) will be eligible to use the Senior Citizens Center with no non-residential fees and with transportation provided on the effective date of annexation.
- D. The Department of Parks and Recreation has more than 4,800 acres of city-owned land to provide parks and recreation programs to all our citizens. The amenities and programs offered by many of the parks and recreation areas through the Leisure Services Department include playing fields for baseball and softball, basketball courts, play grounds, volley ball, tennis courts, a skate park and concession areas and restrooms to serve these facilities. Other amenities offered include General meeting areas, multi function areas, Community Centers, senior programs, Theater and Cultural Arts programs. Many of the parks have walking and hiking trails and Bays Mountain, the City's largest park, includes animal habitats, a farm area, camping sites, and a Planetarium.

9. Street Lighting

Within five years of the operative date of annexation the City will take over responsibility (including payment) for dusk-to-dawn lights presently in place that meet City standards. The City will request that AEP install additional streetlights on collector-class and lower streets in accordance with the policy on roadway lighting within five (5) years of the effective date of annexation. Lighting on minor and major arterials will be installed per prevailing city policy.

10. Zoning Services

- A. The area will be zoned R-1B, Residential District.
- B. The Kingsport Regional Planning Commission is the comprehensive planning agency and administers zoning and land subdivision regulations for the City of Kingsport as provided in State law. The Kingsport Regional Planning Commission consists of nine (9) commissioners appointed by the Mayor of the City of Kingsport.
- C. The Kingsport Regional Planning Commission will exercise planning and zoning activities for the area being annexed upon the operative date of annexation.
- D. Appeals to the Zoning regulations are heard by the Board of Zoning Appeals and variances are granted if the request meets the criteria established for granting variances under Tennessee Code Annotated.

11. Schools

- A. Upon annexation, children currently attending County schools will be allowed to attend City of Kingsport schools or remain in County schools per the prevailing County policy at the time.
- B. Tuition paid by non-city residents now attending City schools will cease upon the effective date of annexation and those students may continue to attend City schools without charge until graduation.
- C. Children at all grade levels may attend City schools tuition-free. Transportation will be provided for students, whose homes are more than 1.5 miles from their designated school, beginning with the school year following annexation.

The previous sections are titled and listed in the order prescribed by Tennessee Code Annotated 6-51-102(b) (2). The following sections are provided by the City of Kingsport in addition to the minimum requirements.

12. Traffic Control

The City will verify all street name signs and traffic control devices in accordance with the Manual on Uniform Traffic Control Devices.

13. Inspection Services

All inspection services now provided by the City on a fee basis (building, electrical, plumbing, gas, housing, sanitation, etc.) will begin in the annexed area on the effective date of annexation. A free safety inspection of plumbing vents will be required at the time sewer connections are made to make sure that proper protection is available to prevent sewer gas from entering houses.

14. Animal Control

Animal control service equivalent to that presently provided within the City will be extended to the annexed area on the effective date of annexation.

15. Storm Sewers

The installation of any needed storm sewers will be accomplished in accordance with existing standards and engineering principles provided for by present City policies. Maintenance of existing storm sewer and drainage systems is also provided on an as needed basis. Response to emergency storm drainage calls is also provided on a 24 hour call in basis.

16. Leaf Removal

The City will collect loose leaves with the vacuum truck between October 1 and January 15, and it will be provided to the annexation area on the same basis as it is currently provided to other City residents beginning on the effective date of annexation. Bagged leaves are collected year round. Leaves are transported to the City's Demolition Landfill where they are composted and used as an amendment to existing dirt stockpiles. This enhanced dirt is then used on City Projects for backfill and topsoil applications.

17. Litter Control

The City's litter control program will be extended to the area on the effective date of annexation. It is provided biweekly along major commercial routes and on an "as needed/on call" basis in other areas.

18. Graffiti Control

The City's graffiti control program, which is aimed at eliminating graffiti on public rights-of-way such as bridge abutments, street signs, railroad underpasses, and the like, will be extended to the area on the effective date of annexation. It is provided on an "as needed/on call" basis. Response time for "offensive" graffiti removal is generally within 48 hours.

SECTION II. This Resolution shall be effective from and after its adoption, the public welfare requiring it.

ADOPTED this the 16th day of December 2008.

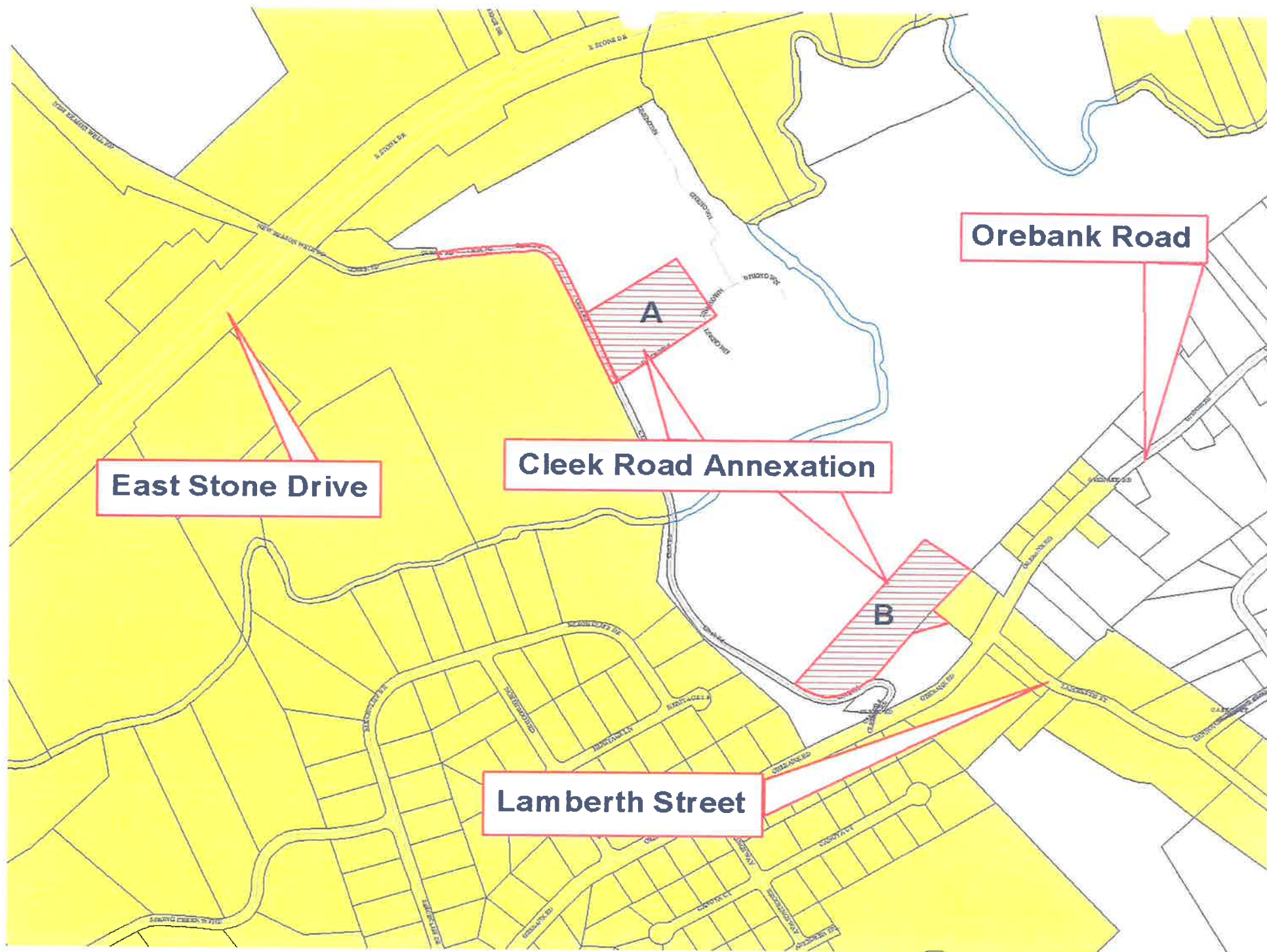
ATTEST:

DENNIS R. PHILLIPS, Mayor

ELIZABETH A. GILBERT
Deputy City Recorder

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, City Attorney



[illegible]



Cleek Road Annexation

Rationale

1. The City of Kingsport should utilize annexation as urban development occurs and is necessary for present and future growth in an orderly manner.
2. Annexation spurs economic growth by providing basic services at a reasonable cost and allows those costs to be spread fairly to all who enjoy those services.
3. The City of Kingsport can provide services through its Plan of Services that the County cannot provide to the residents of the area.
4. It is reasonably necessary for the welfare of the residents and property owners of the affected territory.
5. It is reasonably necessary for the welfare of the residents and property owners of the municipality as a whole.



AGENDA ACTION FORM

Consideration of an Ordinance Amending Ordinance Number 5694 as it Pertains to Health Insurance Premiums for City Retirees

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Agenda Form No.: AF-375-2008

Work Session: December 1, 2008

First Reading: December 2, 2008

Final Adoption: December 16, 2008

Staff Work: Campbell, Evans, Demming

Presentation: Campbell, Munsey, Evans

Recommendation: Approve the ordinance.

Executive Summary:

The audit committee of the board of mayor and aldermen met on November 24, 2008 to review some possible adjustments to the contributions made by city retirees for their health insurance. Two proposals were considered by the committee. The proposals will be referred to as Option 1 and Option 2.

In Option 1, the option favored by the audit committee, retiree contributions for health insurance increases for eligible retirees¹ with 20 or more years of service by five (5%) percent more than the amount of an active employee's contribution. For those retirees with less than 20 years of service the contribution for health insurance would be increased by five (5%) percent more than the retirees with 20 or more years of service. Option 1 would look like this:

OPTION 1

Retiree Years of Service Percentage of Retiree Contribution Increase

20 years or more	5% more than active employees
5-19 years	5% more than 25 ²⁰ years or more

(Executive Summary continued on next page.)

Attachments:

1. Ordinance

	<u>Y</u>	<u>N</u>
Joh	—	—
Mallicote	—	—
Marsh	—	—
Munsey	—	—
Shull	—	—
Shupe	—	—
Phillips	—	—

¹ An eligible retiree is defined in Ordinance No. 5540.

Executive Summary for Action Form AF-375-2008 continued -

There will be a 5% increase in the contribution for health insurance for eligible city employees on January 1, 2009. With an additional 5% increase for retirees with 20 years or more of service a retiree's cost for an individual plan will be \$130.25 per month and \$310.09 per month for the family plan. For eligible retirees with less than 20 years of service a retiree's cost for an individual plan will be \$136.76 per month and \$325.59 per month for the family plan.

The costs for the retirees in Option 1 will be:

<u>Retiree Years of Service</u>	<u>Individual per month</u>	<u>Family per month</u>
20 years or more	\$130.25	\$325.14
5-19 years	\$136.76	\$341.40

This will be applicable to current retirees at this time. Option 2 or something similar may be enacted for future retirees by a date certain. Please note that this is part of the budget ordinance and is subject to change by the board each fiscal year.

In Option 2, also considered by the audit committee, increases in contributions are based on five year increments as follows:

OPTION 2

<u>Retiree Years of Service</u>	<u>Percentage of Retiree Contribution Increase</u>
25 years or more	5% more than active employees
20-24 years	5% more than 25 years or more
15-19 years	10% more than 20-24 years
10-14 years	10% more than 15-19 years
5-9 years	10% more than 10-14 years

Please note the effect is compounded so for example a retiree in the 10-14 year range will have an effective increase of approximately % as compared to a current employee.

The costs for the retirees in Option 2 will be:

<u>Retiree Years of Service</u>	<u>Individual per month</u>	<u>Family per month</u>
25 years or more	\$130.25	\$325.14
20-24 years	\$136.76	\$341.40
15-19 years	\$150.44	\$375.54
10-14 years	\$165.48	\$413.09

5-9 years

\$182.03

\$454.40

There are currently only 14 retirees in the categories of 5 to 24 years. The breakdown is 4 in the 20-24 year range; 3 in the 15-19 year range; 3 in the 10-14 year range; and 4 in the 5-9 year range. The general feeling of the audit committee was it was not necessary to approve this spread, but it does present this as an option available to the board.

In either option retirees will receive a discount off their contribution if they participate in the health assessment offered in the wellness program in 2009. The discount begins in the month after the assessment.

The attached ordinance amends section VIII of Ordinance No. 5694, which is commonly known as the budget ordinance. Section VIII currently reads,

SECTION VIII. The Retiree Health Insurance will be in a separate fund effective July 1, 2008. The City's contribution to the Retiree's Health Insurance fund is \$600,000 for FY09 and the City will designate \$600,000 from the General Fund reserve as a reserve for the Retiree's Health Insurance Fund. The retiree's contribution amount for the retiree will be based upon the claims experience, excess risk insurance cost, and administrative cost for the group. The retiree's contribution rate will be based upon years of service and will be increased by the following percentages above the active employees: Thirty years of service will pay 5% more, twenty-nine years of service will pay 6% more, twenty-eight years of service will pay 7% more, twenty-seven years of service will pay 8% more, twenty-six years of service will pay 9% more, twenty-five years will pay 10% more than active employees. Twenty-four years will pay 11.5% more than active employees and this contribution from the retiree will increase by an additional 1.5% for each year less than 24 years of service.

There are two ordinances attached. The first one provides for the implementation of Option 1. The second one provides for the implementation of Option 2. Both are available for consideration but only one ordinance can be adopted by the board. The other ordinance should be withdrawn by general agreement at the work session or formally at the business meeting by a motion to postpone indefinitely. .

ORDINANCE NO. _____

AN ORDINANCE TO AMEND ORDINANCE NUMBER 5694
ADJUSTING THE RETIREE CONTRIBUTION RATE FOR
HEALTH INSURANCE; AND TO FIX THE EFFECTIVE
DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That Section VIII of Ordinance Number 5694 is amended by deleting Section VIII and substituting in its place the following:

SECTION VIII. The Retiree Health Insurance will be in a separate fund effective July 1, 2008. The City's contribution to the Retiree's Health Insurance fund is \$600,000 for FY09 and the City will designate \$600,000 from the General Fund reserve as a reserve for the Retiree's Health Insurance Fund. The retiree's contribution amount for the retiree will be based upon the claims experience, excess risk insurance cost, and administrative cost for the group. Currently, an eligible retiree's contribution rate will be based upon years of service so that a retiree with 20 or more years of service will pay five (5%) percent more than the amount of the premium of an active employee, and a retiree with less than 20 years of service will pay five (5%) percent more than the amount of the premium of retirees with 20 or more years of service.

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

PASSED ON 1ST READING: _____
PASSED ON 2ND READING: _____

ORDINANCE NO. _____

AN ORDINANCE TO AMEND ORDINANCE NUMBER 5694
ADJUSTING THE RETIREE CONTRIBUTION RATE FOR
HEALTH INSURANCE; AND TO FIX THE EFFECTIVE
DATE OF THIS ORDINANCE

BE IT ORDAINED BY THE CITY OF KINGSPORT, as follows:

SECTION I. That Section VIII of Ordinance Number 5694 is amended by deleting Section VIII and substituting in its place the following:

SECTION VIII. The Retiree Health Insurance will be in a separate fund effective July 1, 2008. The City's contribution to the Retiree's Health Insurance fund is \$600,000 for FY09 and the City will designate \$600,000 from the General Fund reserve as a reserve for the Retiree's Health Insurance Fund. The retiree's contribution amount for the retiree will be based upon the claims experience, excess risk insurance cost, and administrative cost for the group. Currently, an eligible retiree's contribution rate will be based upon years of service so that a retiree with 25 or more years of service will pay five (5%) percent more than the amount of the premium of an active employee; a retiree with 20-24 years of service will pay 5% more than retirees with 25 years or more; a retiree with 15-19 years of service will pay 10% more than retirees with 20-24 years service; a retiree with 10-14 years of service will pay 10% more than retirees with 15-19 years of service; and a retiree with 5-9 years of service will pay 10% more than retirees with 10-14 years of service.

SECTION II. That this Ordinance shall take effect from and after its date of passage, as the law direct, the welfare of the City of Kingsport, Tennessee requiring it.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

PASSED ON 1ST READING: _____
PASSED ON 2ND READING: _____



AGENDA ACTION FORM

Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Property Located at 2308 Overlook Road for the Kingsport City School System

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-369-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 2, 2008
 Staff Work By: R. Trent; D. Frye
 Presentation By: M. Billingsley

Recommendation: Approve the resolution.

Executive Summary:

In order to fulfill the Kingsport Board of Education's long range facilities plans, the Board of Education has requested that the Superintendent of Schools, Dr. Richard Kitzmiller, take the steps necessary to purchase the property located at 2308 Overlook Road for the amount of \$115,000.00. An appraisal of the property was prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicated the fair market value of \$110,000.00. The property owner, Linda Penley, has agreed to sell the property to the city for the amount of \$115,000.00. Upon discussion with Designated Alderman Valerie Joh, it is recommended that the Board of Mayor and Aldermen approve the acquisition in the amount of \$115,000.00.

This project will be funded under GP0811.

Attachments:

1. Resolution
2. Purchase Agreement
3. Location Map

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER FOR THE
PURCHASE OF PROPERTY LOCATED AT 2308 OVERLOOK
ROAD**

WHEREAS, the city has the opportunity to purchase the real property located at 2308 Overlook Road to fulfill the Kingsport Board of Education's long range facility plans; and

WHEREAS, such acquisition would be in accordance with the city's acquisition policy.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That pursuant to the appraisal of property indicating the fair market value of \$110,000.00, the designated alderman is authorized to offer \$115,000.00 for the purchase of 2308 Overlook Road, subject to such conditions as deemed appropriate by the designated alderman in consultation with the city attorney, including such conditions as usually required by the city for acquisition of real property.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, an agreement and all other documents necessary and proper to effectuate the purpose of the agreement, to purchase 2308 Overlook Road subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport.

SECTION II. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 2nd day of December, 2008.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

AGREEMENT

THIS PURCHASE AGREEMENT (herein "Agreement") made and entered into on the date of the notary acknowledgment of the Seller's signature between **LINDA PENLEY**, (hereinafter referred to as the "Seller"), and **THE CITY OF KINGSPORT, TENNESSEE**, a municipality organized under the laws of the State of Tennessee (hereinafter referred to as the "Buyer").

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, including specifically, without limitation, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. **SALE.** Seller agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer agrees to purchase, acquire and take from Seller, subject to the terms and conditions of this Agreement all that real property situate, lying and located at 2308 Overlook Road, Kingsport, Sullivan County, Tennessee, known as Tax Map 047P; Group C; Parcel 024.00, more particularly described on Exhibit A attached hereto and hereby made a part hereof, together with all improvements and fixtures situated thereon, if any, and also together with all hereditaments and appurtenances thereunto belonging or in any way appertaining (the "Real Property").

2. **PURCHASE PRICE.**

(a) **Amount.** The purchase price to be paid by Buyer to Seller for the Real Property shall be One Hundred Fifteen Thousand and No/100 Dollars (\$115,000.00) (the "Purchase Price").

(b) **Terms of Payment.** Subject to the adjustment provided for herein the Purchase Price, less the prorated property taxes as of the date of closing, shall be paid by Buyer to Seller in cash or certified funds payable to Seller on the Closing Date.

3. **CLOSING.** The closing shall occur on or before January 30, 2009, (the "Closing Date"), at a time and location mutually agreed upon by the parties or, upon failure of the parties to agree, at a time and place specified by the Buyer (the "Closing"). Buyer and Seller agree to deliver and execute such other documents as may be reasonable and necessary in the opinion of counsel for Seller and Buyer to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions hereof.

4. **SURVEY.** Immediately upon the execution of this Agreement, Buyer shall, at Buyer's cost, cause a survey and surveyor's certificate, in form sufficient to remove the survey exception from the title insurance binder as more specifically provided in Section 5 hereof, to be prepared on the Real Property by a licensed surveyor acceptable to Buyer. The survey shall be made in accordance with the Minimum Standard Detail Requirements for ALTA/ACSM Land Title surveys for a Class A survey. Such survey shall show the total area of the Real Property in square feet, easements, if any, location of adjoining streets and rights of way, building setback lines, and such other details as may be required by Buyer. Once prepared, the survey description will replace Exhibit A and will become a part of this Agreement identified as Exhibit A-1, and such survey description shall be insurable (and shall be insured) by the title insurance company. If the survey (i) is for good cause not acceptable to Buyer's title insurance company; or (ii) shows the dimensions of the Real Property to be other than as set forth on Exhibit A; or (iii) shows any materially adverse conditions or matters affecting the Real Property which

are not approved by Buyer, then Buyer, within twenty (20) days from receipt of such survey, shall notify Seller in writing of Buyer's objections to the survey and Seller shall thereupon have twenty (20) days to remove or cure such objections to the satisfaction of the Buyer and the title company. If Seller fails to satisfy such objections with the time specified, Buyer shall have the right to (i) terminate this Agreement; (ii) extend the time period for removing or curing any objectionable item by written notice to Seller; or (iii) close this purchase and sale without reduction in the Purchase Price.

5. TITLE INSURANCE. Buyer, at its expense, shall secure an owner's title insurance commitment to issue a title insurance policy insuring Buyer's fee simple interest in the Real Property to the extent of the Purchase Price. The title insurance commitment will be issued by a reputable title insurance company chosen by Buyer and will contain exceptions only for real estate taxes and assessments for the current year which are not yet due and payable, and any other exceptions Buyer may approve in writing. If the commitment contains other exceptions, not acceptable to Buyer, then Buyer shall so notify Seller of such exceptions within twenty (20) days of Buyer's receipt of the commitment, and Seller shall have twenty (20) days from receipt of the Buyer's objections, to resolve such exceptions to the satisfaction of the Buyer. If Seller is unable to cure or resolve such exceptions to Buyer's satisfaction within the time specified, Buyer shall have the right to terminate this Agreement, extend the cure period, or proceed to close this Agreement. In the event Buyer elects to terminate this Agreement pursuant to this Section 5, then this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement.

6. DEED AND TITLE.

(a) Seller hereby agree to convey to Buyer a good and marketable fee simple title to the Real Property, without exceptions, except as expressly provided herein, by a good and valid general warranty deed, in statutory form, suitable for recordation. Title to the Real Property shall not be subject to any easements, encumbrances or other exceptions which Buyer, in its sole discretion, deems unacceptable.

(b) In the event, as of the Closing Date, Seller is unable to convey marketable title to the Real Property due to defects in Seller's title, or Seller is unable to convey title due to exceptions Buyer finds unacceptable, then Closing shall be postponed for a reasonable period of time not to exceed 30 days until Seller shall remove said title defects or exceptions. If Seller is unable to cure such title defects or exceptions within said 30 days, this Agreement shall be null and void and there shall be no further obligations between the parties. If Buyer shall waive such title defects or exceptions by so notifying the Seller in writing, or if Seller shall have cured such defects or exceptions, as provided herein, the obligations of the parties hereunder shall not be affected by reason thereof, there shall be no abatement or reduction of the Purchase Price, and this transaction shall be consummated in accordance with the terms and provisions of this Agreement, except that such title defects or exceptions that are waived by Buyer, if any, shall be set forth as exceptions in the deed.

7. CONDITION OF PROPERTY. There has been no storage, disposal, treatment or release of hazardous substances during the period of Seller's ownership, and to the best of Seller's knowledge, the Real Property has not been used, and is not presently being used, and will not through the Closing Date, be used for the storage or disposal of hazardous substances. (The term "hazardous substances" shall have the broadest meaning given under applicable state and federal law, including without limitation that given in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. section 9601 et seq.) Seller are not aware of any facts, conditions or circumstances indicating any form of environmental contamination affecting any properties which are adjacent to the Real Property. There are no encumbrances, liens, or charges of any kind upon the Real Property that will not be satisfied and discharges in full by Seller and released at or before Closing in a

form satisfactory to Buyer. There are no contracts, agreements, or arrangements relating to the use and operation of the Real Property not disclosed herein. Seller represent that there is no pending or threatened litigation that does or will materially and adversely affect the Real Property or its value.

8. CONDITIONS PRECEDENT.

Buyer's obligations pursuant to this Agreement are contingent upon and subject to the satisfaction, as of Closing, of each of the following conditions (any of which may be waived in whole or in part in writing by the Buyer at, or prior to Closing):

(1) The results of the title examination report and title insurance commitment described in Section 5 shall be acceptable to Buyer in its sole discretion as of Closing. There shall be no change in the matters reflected in the title insurance commitment described in Section 5 hereof, and there shall not exist any encumbrances or title defects affecting the Real Property not described in such title insurance commitment.

(2) All of the representations, warranties and conditions of Seller set forth in this Agreement shall be true and correct as of the date hereof, and as of the Closing Date, and Seller shall not, on or prior to Closing, have failed to meet, comply with or perform any conditions or obligations on Seller's part required by the terms of this Agreement.

(3) There shall be no change in the matters reflected in the survey described in Section 4 hereof, and there shall not exist any easement, right of way, encroachment, waterway, pond, flood plain, conflict, or a protrusion with respect to the Real Property not shown on the survey.

If any condition specified in this Section 8 is not fully satisfied by Closing, or any extension thereof pursuant to this Agreement, Buyer may, at its option, waive such unsatisfactory condition precedent and consummate this Agreement, or may terminate this Agreement by written notice to Seller, this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement. It shall be the right of the Buyer at its sole discretion and upon written notice to the Seller to terminate this Agreement at any time prior to the closing of the property if it shall deem the property not suitable for its needs, and upon such termination, this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement

9. NOTICE. Any notice or demand on either party hereunder shall be deemed to have been given when mailed to the other party by Certified Mail, Return Receipt Requested, postage prepaid at the addresses set forth below:

SELLER: Ms. Linda Penley
2308 Overlook Road
Kingsport, Tennessee 37660

BUYER: City of Kingsport, Tennessee
225 West Center Street
Kingsport, Tennessee 37660
Attention: J. Michael Billingsley

10. PRORATIONS. All real estate taxes and assessments shall be prorated as of the Closing Date, using for such purpose the rate and valuation shown on the latest available tax notice.

11. **EXPENSES OF SELLER.** In closing this transaction, Seller shall be charged with the following:

- (a) The cost of preparation of the warranty deed;
- (b) The fees and expenses of any attorney or other advisor engaged by Seller in connection with this transaction;
- (c) The commission or fees charged by any real estate broker or agent retained or used by the Seller in connection with this transaction; and
- (d) All expenses incurred in connection with the release of any prior existing indebtedness, including without limitation any prepayment penalties; and
- (e) Prorated taxes.

12. **EXPENSES OF BUYER.** In closing this transaction, Buyer shall be charged with the following:

- (a) The cost of any title search and title insurance policy;
- (b) The cost of recording the deed and any transfer tax associated with such deed;
- (c) Any fees charged in connection with any attorney or other advisor engaged by Buyer in connection with this transaction; and
- (d) The cost of the survey provided pursuant to Section 4.

13. **RISK OF LOSS.** The risk of loss or damage to any of the Real Property described above by fire, vandalism, or other casualty shall remain with the Seller until Closing. In the event of such loss before Closing, this Agreement shall be voidable at the option of Buyer. Should Buyer elect to continue with the purchase following such loss or damage before Closing, Buyer shall have the option to (a) negotiate an equitable reduction in the Purchase Price or (b) close this Agreement at the stated Purchase Price and accept all insurance funds and other monies payable to Seller regarding such loss or damage. If action is necessary to recover under any casualty policy, Seller shall cooperate with Buyer in bringing such action in Seller's name and Seller shall reimburse Buyer for the attorney's fees and other expenses incurred by Buyer to pursue such claim.

14. **TIME IS OF THE ESSENCE.** Time is of the essence to the performance of this Agreement.

15. **MERGER CLAUSE.** All understandings and agreements heretofore had between the parties are merged in this Agreement, which alone fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement, representation, express or implied warranties, guarantees, promises, statements, "setups", representation, or information, not embodied in this Agreement, made by the other, or by any agent, employee, servant, or other person representing or purporting to represent the Seller. This Agreement contains the full agreement between the parties and there are no other contracts, express or implied, which are not stated herein.

16. **POSSESSION.** Delivery of possession of the Real Property shall occur at Closing.

17. **CAPTIONS.** The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

18. **ENTIRE AGREEMENT; MODIFICATIONS.** This written Agreement constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Real Property. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Agreement and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

19. **CONTROLLING LAW; VENUE.** This Agreement has been made and entered into under the laws of the State of Tennessee, and said laws shall control the interpretation thereof. Venue for any litigation concerning this Agreement shall be filed in the state or federal courts for Sullivan County, Tennessee.

20. **BINDING EFFECT.** All covenants, agreements, warranties and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

21. **FURTHER ACTS.** Each party hereto agrees to do, execute, acknowledge and deliver all such further acts, assignments, transfers, assurances and instruments that may reasonably be required to fully effectuate the transactions contemplated in this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands in duplicate originals the day and year first written above.

BUYER:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

James H. Demming, City Recorder

By: _____
Dennis R. Phillips, Mayor

APPROVED AS TO FORM:

J. Michael Billingsley, City Attorney

SELLER:

Linda Penley

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this _____ day of _____, 2008.

Notary Public

My commission expires:

STATE OF TENNESSEE:
COUNTY OF SULLIVAN:

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, LINDA PENLEY, the within named bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledge that she has executed the within instrument for the purposes therein contained.

WITNESS my hand and official seal this _____ day of _____, 2008.

Notary Public

My commission expires:

EXHIBIT A

Descriptions of Real Property

Situate, lying and being in the 11th Civil District of Sullivan County, Tennessee, and more particularly described as follows:

BEGINNING at a point in the northerly sideline of the Bloomingdale Avenue, corner for Lots 14 and 15; thence with the divisional line between Lots 14 and 15, 250.00 feet to a point in said divisional line; thence north 74 degrees 45 minutes west and parallel with the Bloomingdale Avenue, 57.00 feet to a stake; thence southeasterly and parallel to said divisional line between Lots 14 and 15, 250.00 feet to a stake in the northerly sideline of Bloomingdale Avenue; thence south 74 degrees 45 minutes east with the northerly sideline of Bloomingdale Avenue, 57.00 feet to the point of BEGINNING, being a strip of land 57.00 feet wide fronting on Bloomingdale Avenue and extending back there from between parallel lines a northeasterly direction 250.00 feet, and being cut from the southeasterly part of Lot 15 in Block 18 of Kingsport Heights Addition to Kingsport, Tennessee.

Tax Map 047P; Group C; Parcel 024.00



Jefferson Elementary School (Red = City Owned , Yellow = To be Purchased)



AGENDA ACTION FORM

Consideration of a Resolution to Approve the Offer and Authorize the Mayor to Execute all Documents Necessary for the Acquisition of Properties for the Kingsport City School System

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-370-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 2, 2008
 Staff Work By: R. Trent; D. Frye
 Presentation By: M. Billingsley

Recommendation: Approve the resolution.

Executive Summary:

In order to fulfill the Kingsport Board of Education's long range facilities plans, the Board of Education has requested that the Superintendent of Schools, Dr. Richard Kitzmiller, take the steps necessary to purchase the properties located at 2200 Overlook Road, 1708 D Street, West of D Street and 1704 D Street for the total amount of \$89,000.00. Appraisals of the properties were prepared in accordance with the City of Kingsport's Real Property Acquisition Policies & Procedures and indicated the fair market value of \$89,000.00. The property owner, Edward Bernhard, III, has agreed to sell all four of the properties to the city for the amount of \$89,000.00. Upon discussion with Designated Alderman Valerie Joh, it is recommended that the Board of Mayor and Aldermen approve the acquisition in the amount of \$89,000.00.

This project will be funded under GP0811.

Attachments:

1. Resolution
2. Purchase Agreement
3. Location Map

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE ALL
DOCUMENTS NECESSARY AND PROPER FOR THE
PURCHASE OF PROPERTIES FOR THE KINGSPORT CITY
SCHOOL SYSTEM**

WHEREAS, the city has the opportunity to purchase the real properties located at 2200 Overlook Road, 1708 D Street, West of D Street and 1704 D Street to fulfill the Kingsport Board of Education's long range facility plans; and

WHEREAS, such acquisition would be in accordance with the city's acquisition policy.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN as follows:

SECTION I. That pursuant to the appraisals of the properties indicating the fair market value of \$89,000.00, the designated alderman is authorized to offer \$89,000.00 for the purchase of 2200 Overlook Road, 1708 D Street, West of D Street and 1704 D Street, subject to such conditions as deemed appropriate by the designated alderman in consultation with the city attorney, including such conditions as usually required by the city for acquisition of real property.

SECTION II. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized to execute, in a form approved by the city attorney, an agreement and all other documents necessary and proper to effectuate the purpose of the agreement, to purchase 2200 Overlook Road, 1708 D Street, West of D Street and 1704 D Street subject to the requirements of Article X, Section 10 of the Charter of the City of Kingsport.

SECTION II. That this resolution shall take effect immediately upon its adoption, the public welfare requiring it.

ADOPTED this the 2nd day of December, 2008.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

AGREEMENT

THIS PURCHASE AGREEMENT (herein "Agreement") made and entered into on the date of the notary acknowledgment of the Seller's signature between **EDWARD J. BERNHARD, III**, (hereinafter referred to as the "Seller"), and **THE CITY OF KINGSPORT, TENNESSEE**, a municipality organized under the laws of the State of Tennessee (hereinafter referred to as the "Buyer").

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, including specifically, without limitation, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual covenants contained herein, the parties hereby agree as follows:

1. **SALE.** Seller agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer agrees to purchase, acquire and take from Seller, subject to the terms and conditions of this Agreement all that real properties situate, lying and located at 2200 Overlook Road, 1708 D Street, W of D Street and 1704 D Street, Kingsport, Sullivan County, Tennessee, known as Control Map 047P; Group C; Parcels 033.00, 035.00, 036.00 and 037.00, more particularly described on Exhibit A attached hereto and hereby made a part hereof, together with all improvements and fixtures situated thereon, if any, and also together with all hereditaments and appurtenances thereunto belonging or in any way appertaining (the "Real Property").

2. **PURCHASE PRICE.**

(a) **Amount.** The purchase price to be paid by Buyer to Seller for the Real Property shall be Eighty-Nine Thousand and No/100 Dollars (\$89,000.00) (the "Purchase Price").

(b) **Terms of Payment.** Subject to the adjustment provided for herein the Purchase Price, less the prorated property taxes as of the date of closing, shall be paid by Buyer to Seller in cash or certified funds payable to Seller on the Closing Date.

3. **CLOSING.** The closing shall occur on or before February 28, 2009, (the "Closing Date"), at a time and location mutually agreed upon by the parties or, upon failure of the parties to agree, at a time and place specified by the Buyer (the "Closing"). Buyer and Seller agree to deliver and execute such other documents as may be reasonable and necessary in the opinion of counsel for Seller and Buyer to consummate and close the purchase and sale contemplated herein pursuant to the terms and provisions hereof.

4. **SURVEY.** Immediately upon the execution of this Agreement, Buyer shall, at Buyer's cost, cause a survey and surveyor's certificate, in form sufficient to remove the survey exception from the title insurance binder as more specifically provided in Section 5 hereof, to be prepared on the Real Property by a licensed surveyor acceptable to Buyer. The survey shall be made in accordance with the Minimum Standard Detail Requirements for ALTA/ACSM Land Title surveys for a Class A survey. Such survey shall show the total area of the Real Property in square feet, easements, if any, location of adjoining streets and rights of way, building setback lines, and such other details as may be required by Buyer. Once prepared, the survey description will replace Exhibit A and will become a part of this Agreement identified as Exhibit A-1, and such survey description shall be insurable (and shall be insured) by the title insurance company. If the survey (i) is for good cause not acceptable to Buyer's title insurance company; or (ii) shows the dimensions of the Real Property to be other than as set forth on

Exhibit A; or (iii) shows any materially adverse conditions or matters affecting the Real Property which are not approved by Buyer, then Buyer, within twenty (20) days from receipt of such survey, shall notify Seller in writing of Buyer's objections to the survey and Seller shall thereupon have twenty (20) days to remove or cure such objections to the satisfaction of the Buyer and the title company. If Seller fails to satisfy such objections with the time specified, Buyer shall have the right to (i) terminate this Agreement; (ii) extend the time period for removing or curing any objectionable item by written notice to Seller; or (iii) close this purchase and sale without reduction in the Purchase Price.

5. TITLE INSURANCE. Buyer, at its expense, shall secure an owner's title insurance commitment to issue a title insurance policy insuring Buyer's fee simple interest in the Real Property to the extent of the Purchase Price. The title insurance commitment will be issued by a reputable title insurance company chosen by Buyer and will contain exceptions only for real estate taxes and assessments for the current year which are not yet due and payable, and any other exceptions Buyer may approve in writing. If the commitment contains other exceptions, not acceptable to Buyer, then Buyer shall so notify Seller of such exceptions within twenty (20) days of Buyer's receipt of the commitment, and Seller shall have twenty (20) days from receipt of the Buyer's objections, to resolve such exceptions to the satisfaction of the Buyer. If Seller is unable to cure or resolve such exceptions to Buyer's satisfaction within the time specified, Buyer shall have the right to terminate this Agreement, extend the cure period, or proceed to close this Agreement. In the event Buyer elects to terminate this Agreement pursuant to this Section 5, then this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement.

6. DEED AND TITLE.

(a) Seller hereby agree to convey to Buyer a good and marketable fee simple title to the Real Property, without exceptions, except as expressly provided herein, by a good and valid general warranty deed, in statutory form, suitable for recordation. Title to the Real Property shall not be subject to any easements, encumbrances or other exceptions which Buyer, in its sole discretion, deems unacceptable.

(b) In the event, as of the Closing Date, Seller is unable to convey marketable title to the Real Property due to defects in Seller's title, or Seller is unable to convey title due to exceptions Buyer finds unacceptable, then Closing shall be postponed for a reasonable period of time not to exceed 30 days until Seller shall remove said title defects or exceptions. If Seller is unable to cure such title defects or exceptions within said 30 days, this Agreement shall be null and void and there shall be no further obligations between the parties. If Buyer shall waive such title defects or exceptions by so notifying the Seller in writing, or if Seller shall have cured such defects or exceptions, as provided herein, the obligations of the parties hereunder shall not be affected by reason thereof, there shall be no abatement or reduction of the Purchase Price, and this transaction shall be consummated in accordance with the terms and provisions of this Agreement, except that such title defects or exceptions that are waived by Buyer, if any, shall be set forth as exceptions in the deed.

7. CONDITION OF PROPERTY. There has been no storage, disposal, treatment or release of hazardous substances during the period of Seller's ownership, and to the best of Seller's knowledge, the Real Property has not been used, and is not presently being used, and will not through the Closing Date, be used for the storage or disposal of hazardous substances. (The term "hazardous substances" shall have the broadest meaning given under applicable state and federal law, including without limitation that given in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. section 9601 et seq.) Seller are not aware of any facts, conditions or circumstances indicating any form of environmental contamination affecting any properties which are adjacent to the Real Property. There are no encumbrances, liens, or charges of any kind upon the Real

Property that will not be satisfied and discharges in full by Seller and released at or before Closing in a form satisfactory to Buyer. There are no contracts, agreements, or arrangements relating to the use and operation of the Real Property not disclosed herein. Seller represent that there is no pending or threatened litigation that does or will materially and adversely affect the Real Property or its value.

8. CONDITIONS PRECEDENT.

Buyer's obligations pursuant to this Agreement are contingent upon and subject to the satisfaction, as of Closing, of each of the following conditions (any of which may be waived in whole or in part in writing by the Buyer at, or prior to Closing):

(1) The results of the title examination report and title insurance commitment described in Section 5 shall be acceptable to Buyer in its sole discretion as of Closing. There shall be no change in the matters reflected in the title insurance commitment described in Section 5 hereof, and there shall not exist any encumbrances or title defects affecting the Real Property not described in such title insurance commitment.

(2) All of the representations, warranties and conditions of Seller set forth in this Agreement shall be true and correct as of the date hereof, and as of the Closing Date, and Seller shall not, on or prior to Closing, have failed to meet, comply with or perform any conditions or obligations on Seller's part required by the terms of this Agreement.

(3) There shall be no change in the matters reflected in the survey described in Section 4 hereof, and there shall not exist any easement, right of way, encroachment, waterway, pond, flood plain, conflict, or a protrusion with respect to the Real Property not shown on the survey.

If any condition specified in this Section 8 is not fully satisfied by Closing, or any extension thereof pursuant to this Agreement, Buyer may, at its option, waive such unsatisfactory condition precedent and consummate this Agreement, or may terminate this Agreement by written notice to Seller, this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement. It shall be the right of the Buyer at its sole discretion and upon written notice to the Seller to terminate this Agreement at any time prior to the closing of the property if it shall deem the property not suitable for its needs, and upon such termination, this Agreement shall be cancelled and thereafter neither Seller nor Buyer shall have any continuing obligation to each other under this Agreement

9. NOTICE. Any notice or demand on either party hereunder shall be deemed to have been given when mailed to the other party by Certified Mail, Return Receipt Requested, postage prepaid at the addresses set forth below:

SELLER: Mr. Edward Bernhard, III
2200 Overlook Road
Kingsport, Tennessee 37660

BUYER: City of Kingsport, Tennessee
225 West Center Street
Kingsport, Tennessee 37660
Attention: J. Michael Billingsley

10. **PRORATIONS.** All real estate taxes and assessments shall be prorated as of the Closing Date, using for such purpose the rate and valuation shown on the latest available tax notice.

11. **EXPENSES OF SELLER.** In closing this transaction, Seller shall be charged with the following:

- (a) The cost of preparation of the warranty deed;
- (b) The fees and expenses of any attorney or other advisor engaged by Seller in connection with this transaction;
- (c) The commission or fees charged by any real estate broker or agent retained or used by the Seller in connection with this transaction; and
- (d) All expenses incurred in connection with the release of any prior existing indebtedness, including without limitation any prepayment penalties; and
- (e) Prorated taxes.

12. **EXPENSES OF BUYER.** In closing this transaction, Buyer shall be charged with the following:

- (a) The cost of any title search and title insurance policy;
- (b) The cost of recording the deed and any transfer tax associated with such deed;
- (c) Any fees charged in connection with any attorney or other advisor engaged by Buyer in connection with this transaction; and
- (d) The cost of the survey provided pursuant to Section 4.

13. **RISK OF LOSS.** The risk of loss or damage to any of the Real Property described above by fire, vandalism, or other casualty shall remain with the Seller until Closing. In the event of such loss before Closing, this Agreement shall be voidable at the option of Buyer. Should Buyer elect to continue with the purchase following such loss or damage before Closing, Buyer shall have the option to (a) negotiate an equitable reduction in the Purchase Price or (b) close this Agreement at the stated Purchase Price and accept all insurance funds and other monies payable to Seller regarding such loss or damage. If action is necessary to recover under any casualty policy, Seller shall cooperate with Buyer in bringing such action in Seller's name and Seller shall reimburse Buyer for the attorney's fees and other expenses incurred by Buyer to pursue such claim.

14. **TIME IS OF THE ESSENCE.** Time is of the essence to the performance of this Agreement.

15. **MERGER CLAUSE.** All understandings and agreements heretofore had between the parties are merged in this Agreement, which alone fully and completely expresses their agreement, and the same is entered into after full investigation, neither party relying upon any statement, representation, express or implied warranties, guarantees, promises, statements, "setups", representation, or information, not embodied in this Agreement, made by the other, or by any agent, employee, servant, or other person

representing or purporting to represent the Seller. This Agreement contains the full agreement between the parties and there are no other contracts, express or implied, which are not stated herein.

16. **POSSESSION.** Delivery of possession of the Real Property shall occur at Closing.

17. **CAPTIONS.** The section headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement and are not to be considered in interpreting this Agreement.

18. **ENTIRE AGREEMENT; MODIFICATIONS.** This written Agreement constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Real Property. It is expressly agreed that there are no verbal understandings or agreements which in any way change the terms, covenants and conditions herein set forth, and that no modification of this Agreement and no waiver of any of its terms and conditions shall be effective unless in writing and duly executed by the parties hereto.

19. **CONTROLLING LAW; VENUE.** This Agreement has been made and entered into under the laws of the State of Tennessee, and said laws shall control the interpretation thereof. Venue for any litigation concerning this Agreement shall be filed in the state or federal courts for Sullivan County, Tennessee.

20. **BINDING EFFECT.** All covenants, agreements, warranties and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

21. **FURTHER ACTS.** Each party hereto agrees to do, execute, acknowledge and deliver all such further acts, assignments, transfers, assurances and instruments that may reasonably be required to fully effectuate the transactions contemplated in this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands in duplicate originals the day and year first written above.

BUYER:

CITY OF KINGSPORT, TENNESSEE

ATTEST:

James H. Demming, City Recorder

By: _____
Dennis R. Phillips, Mayor

APPROVED AS TO FORM:

J. Michael Billingsley, City Attorney

SELLER:

Edward J. Bernhard, III

STATE OF TENNESSEE
COUNTY OF SULLIVAN

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, personally appeared the within named bargainor, DENNIS R. PHILLIPS, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the Mayor of the City of Kingsport, Tennessee, and that he, as the Mayor, executed the foregoing instrument for the purposes therein contained, by signing his name as Mayor.

WITNESS my hand and official seal this _____ day of _____, 2008.

Notary Public

My commission expires:

STATE OF TENNESSEE:
COUNTY OF SULLIVAN:

Personally appeared before me, the undersigned authority, a Notary Public in and for the State and County aforesaid, EDWARD J. BERNHARD, III, the within named bargainer, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledge that he has executed the within instrument for the purposes therein contained.

WITNESS my hand and official seal this _____ day of _____, 2008.

Notary Public

My commission expires:

EXHIBIT A

Descriptions of Real Properties

Situate, lying and being in the 11th Civil District of Sullivan County, Tennessee, and more particularly described as follows:

Parcel 1

Tract No. 1: BEGINNING at the southwesterly corner of the lot herein described, being the intersection of the westerly side of "D" Street with the northerly side of Bloomingdale Avenue; thence S. 75° 30' E., 60 feet to the northerly side of Bloomingdale Avenue; thence northerly about 97 feet to a point midway between Lots 1-A and 1-B, thence westerly with the divisional line between Lots 1-A and 1-B, 95.3 feet to the corner of Lot 1-A and Lot 1-B; thence S 16° 00' W., (being along the same line as that designated as S. 15° 15' W., on map or record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 165 at page 500) 81 feet to the BEGINNING, being the westerly one-half (1/2) of Lot 1-B in Tract 19 of Kingsport Heights Addition to Kingsport, Tennessee, as shown on map by Thos. M. Galloway dated November 3, 1938, of record in said Register's Office in Map Book 1, page 217.

Tract No. 2: BEGINNING at a point in the middle of the County Road, corner for Lots 19, 20, 25 and 26; thence southwesterly with the divisional line of Lot 19 and the westerly line of "D" Street and Lot 20, 170 feet to the point of BEGINNING; from this point of BEGINNING southwesterly with the divisional line of Lot 19 and the westerly line of "D" Street and Lot 20, 100 feet to a stake; thence northwesterly by an interior angle of 97° 35' 151.32 feet to a stake; thence northeasterly by an interior angle of approximately 80° 30' 100 feet to a stake; thence northeasterly by an interior angle of 84° 48' 145.45 feet to the BEGINNING, said lot fronts 100 feet on "D" Street and 100 feet on Lot 20 of Kingsport Heights Addition; as shown on map by Thos. M. Galloway dated November 3, 1938, of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Map Book 1, page 217.

Tract No. 3: BEGINNING at a point in the northwesterly side line of "D" Street, said point being 217.72 feet northeasterly from the intersection of the said side line of "D" Street with the northeasterly side line of Westmoreland Avenue; thence northeasterly by a curve to the right of a radius of 118.81 feet, an arc distance of 135.2 feet to a point; thence northerly with a radial line to said curve, 21.41 feet to a point in the northeasterly side line of Overlook Road; thence northwesterly with the said side line of Overlook Road by an interior angle of 114° 48' 60 feet to the intersection of the said side line of Overlook Road with the northwesterly side line of "D" Street; thence southwesterly by an interior angle of 90° and with the said side line of "D" Street, 127.28 feet to the point of BEGINNING, and being part of the "D" Street and Overlook Road right of way and containing 3,300 square feet, more or less, as shown on maps of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 165, page 500 and Map Book 1, page 217

Parcel 2

BEGINNING at a point in the westerly side of "D" Street, distance northeasterly 130 feet from the intersection of the westerly side of "D" Street with the northerly side of Westmoreland Avenue, said point being in the northerly side of a 14-foot alley; thence continuing northeasterly along the said side of "D" Street, 45 feet to a point; thence northwesterly by an interior angle of 87° 34', 118.11 feet to a point; thence southwesterly by an interior angle of 92° 26', 40 feet to a point in the northerly side of a 14-foot alley; thence southeasterly at right angles and along the northerly side of said alley 118 feet to the point of BEGINNING, containing 5,015 square feet, more or less, and being part of Lot 20 of Kingsport Heights Addition, as shown on map of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 165 at page 500.

Parcel 3

To reach the point of BEGINNING start at the point of intersection of the northerly line of Westmoreland Avenue with the westerly line of D Street; thence northeasterly with the said westerly sideline of D Street one hundred twenty-four (124') feet to a point in the northerly line of an eight (8') foot alley extended; Thence, northwesterly

at ninety (90°) degrees to D Street and along said northerly line of alley one hundred eighteen (118') feet to the point of BEGINNING: Thence, continuing northwesterly with said northerly line of the eight (8') foot alley ninety-eight and seven tenths *(98.70') ft. to a point; Thence, northerly by an interior angle of one hundred eight degrees thirty-five minutes (108° 35') eighty eight and four hundredths (88.04') feet to a point; Thence, northwesterly by an interior angle of seventy-nine degrees (79° 00') one hundred twenty-seven and sixty-one hundredths (127.61') feet to a point, the northwesterly corner for the Hodge property; Thence, southwesterly by an interior angle of eight-two degrees twenty five minutes (82° 25') and with the westerly property line for the Hodge and Bishop properties, one hundred and twenty-nine hundredths (100.29') ft. to the point of BEGINNING, containing ten thousand four hundred seventy-two (10,472) square feet, more or less and being a part of Tract No. 20, Kingsport Heights.

Parcel 4

BEGINNING at a post on the northwesterly side of "D" Street, distance northeasterly 66 feet from the intersection of the said side of "D" Street with the northerly side of Westmoreland Avenue, corner for Hammond property and southeasterly corner for the property herein described. Thence along the said side of "D" Street, N. 15 degrees 15' E., 50 feet to a post, said property being the point of intersection of the northwesterly side of "D" Street with the southwesterly side of an alley. Thence along the said side of said alley and the northerly line of the property herein described, N. 74 degrees 45' W., 200 feet to the corner of the Ruth property. Thence with another line crossing Tract 20 and with the Ruth property, S. 15 degrees 15' W., 50 feet to a post in the Ruth property line and corner for Hammond property. Thence along the Hammond property line and with a new line crossing Tract 20, S. 74 degrees 45' E., 200 feet to the point of BEGINNING, and being part of Tract 20 of Kingsport Heights Addition as shown on map of record in the Register's Office for Sullivan County at Blountville, Tennessee, in Deed Book 165, at page 500.

Control Map 047-P; Group C; Parcels 033.00, 035.00, 036.00 and 037.00



Jefferson Elementary School (Red = City Owned , Yellow = To be Purchased)



AGENDA ACTION FORM

Consideration of a Resolution Approving an Amendment to the Downtown Redevelopment District Plan

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF-373-2008
Work Session: December 1, 2008
First Reading: N/A
Final Adoption: December 2, 2008

Staff Work By: KHRA, Fleming,
Campbell
Presentation By: Fleming/Campbell

Recommendation: Approve the resolution.

Executive Summary:

The attached resolution approves an amendment to the Downtown Redevelopment Plan for the Downtown Kingsport Redevelopment District to comply with current Tennessee enabling legislation allowing collection of tax increment financing (TIF) for the entire district rather than for a single parcel or project. This amendment declares the entire downtown district as a TIF district. This will freeze the real property tax revenue at the 2008 assessment level for the city and any future real property tax growth in the downtown district will be directed to the Kingsport Housing and Redevelopment Authority for use in the redevelopment of downtown district. This can be undone by a future board provide there is no TIF indebtedness for the district. No other provision of the existing Downtown Redevelopment Plan will be modified by this amendment. It is anticipated that county commission will be asked to participate at a future date; however, the city may proceed.

The planning commission endorsed this recommendation at its November 20 meeting.

Attachments:

1. Resolution
2. Draft of Redevelopment Plan
3. Map

Funding source appropriate and funds are available: _____

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

**A RESOLUTION AMENDING THE REDEVELOPMENT PLAN OF
THE DOWNTOWN KINGSFORT REDEVELOPMENT DISTRICT**

WHEREAS, by Resolution No. 2001-078 the board of mayor and aldermen established the Kingsport Redevelopment Program to implement a formal redevelopment program and to promote opportunities advantageous to the redevelopment of the City of Kingsport; and

WHEREAS, by Resolution No. 2005-125 the board approved the Redevelopment Plan for the Downtown Kingsport Redevelopment District; and

WHEREAS, state enabling legislation allows collection of tax increment financing (TIF) for the entire district rather than for a single parcel or project; and

WHEREAS, the amendment to the Plan would allow TIF for the entire Downtown Kingsport Redevelopment District wherein the real property taxes generated in the district and remitted to the city would be frozen at the 2008 assessment, and any additional real property tax revenue generated by increases in the assessed value of property in the district thereafter would be collected for the benefit of the Kingsport Housing and Redevelopment Authority for use in the redevelopment of downtown; and

WHEREAS, a public hearing was held by the Kingsport Housing and Redevelopment Authority concerning this amendment on November 17, 2008; and

WHEREAS, the amendment was approved by the Kingsport Regional Planning Commission at its November 20, 2008 meeting;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the Redevelopment Plan for the Downtown Kingsport Redevelopment District adopted in Resolution No. 2005-125 of the board of mayor and aldermen is amended as follows:

**FIRST AMENDED AND RESTATED REDEVELOPMENT PLAN FOR THE
DOWNTOWN KINGSFORT REDEVELOPMENT DISTRICT**

WHEREAS, on May 17, 2005, pursuant to Resolution No. 2005-125, the Board of Mayor and Alderman of the City of Kingsport adopted an amendment to the City of Kingsport's Redevelopment Plan for Core Urban Areas which created a redevelopment district for the downtown area of the City of Kingsport ("the Downtown Kingsport Amendment"); and

WHEREAS, since the adoption of the Downtown Kingsport Amendment, Tennessee law governing redevelopment and the use of tax increment financing has been amended to allow for the use of "district wide" tax increment financing; and

WHEREAS, it is believed that the implementation of a "district wide" TIF concept will result in the more efficient and expeditious redevelopment of the Downtown Kingsport Redevelopment District; and

NOW, THEREFORE, the Downtown Kingsport Amendment is hereby revised and replaced in its entirety as follows:

A. District Description and History

The Downtown Redevelopment District is generally bounded by Clinchfield Street on the west, Sullivan to Watauga to Sevier to Poplar to Dale Streets on the north, Wilcox Drive on the east, and the Clinchfield Railroad on the south; the District then crosses the railroad tracks to include a southern area bounded by Lincoln Street on the north, Wheatley Street on the east, and Dunbar Street on the South and West. The district also includes the former Quebecor Site which is an approximately 16.30-acre area bounded by Clinchfield Street to the east, Center Street to the south, Roller Street to the west, and Sullivan Street to the north (collectively the "District")

The District contains approximately 60 city blocks and 600 business tenants, the public housing communities of Lee & Riverview, and the Old Washington School. The Downtown Redevelopment District is shown on the map attached hereto as Exhibit A.

The commercial area consists of the city's central business district and is generally characterized by single ownership and single structures occupying one or more parcels. Many of the structures are economically obsolete and physically deteriorated. The City Building Department has identified commercial structures that have deteriorated to the extent that major repairs may be impractical. The District also contains a high rate of vacant buildings; the overall state of repair of these buildings creates a condition that could be dangerous to the persons and property within the District and projects a negative image of the City.

The public housing communities were constructed in the 1940s and are economically obsolete, as they do not meet the current housing needs of the community in terms of design and amenities and have high maintenance costs. The Kingsport Housing & Redevelopment Authority ("KHRA") is currently analyzing how best to manage these structures. The Riverview public housing project is currently undergoing a complete demolition and reconstruction with single family residences and duplexes funded partially through a HOPE VI grant. Options for the Lee housing project include major rehabilitation, demolition, and new construction. Other residential units scattered throughout the District have various structural deficiencies and may be considered substandard.

The Downtown area of the City of Kingsport has been faced with the major economic trends that have been affecting other urban cores across the nation – namely a flight of retail dollars from Downtown shopping districts to suburban shopping malls, strip centers and office parks. Capital reinvestment in Downtown properties has been below desired thresholds for years. Faced with a continuing decline, some tenants of the Downtown have departed as their leases have expired and prospective tenants and owners have elected to locate their operations on the City's fringe. All of these activities have a negative impact on the Downtown District, creating a situation where it becomes ever more difficult to serve the commercial and service needs of today's market.

A portion of the District was included as a study area in the Redevelopment Plan for Core Urban Areas which was initially adopted by the City of Kingsport in 2001. As a result of its inclusion as a study area, a November 7, 2001, report titled Economic Analysis of Redevelopment Areas was prepared for the KHRA by Economic Research Associates. This report documented numerous conditions and factors in the downtown area which supported a finding of blight. Specifically, the report noted the absence of any substantial activity at night, the high number of vacant and partially vacant buildings, the

high percentage of fire code violations and the lack of retail diversity. The report recommended that while the Downtown area could potentially be considered blighted under a typical analysis a more conservative approach such as public infrastructure investment, more aggressive marketing, and other economic incentives should be considered to eliminate these conditions. In addition, a report prepared for KHRA by Basile Baumann Prost & Associates, Inc. dated July 11, 2007, found that the former Quebecor site met the definition of blight as set forth in Tennessee law.

Unfortunately, the more conservative approaches recommended by the report have not been as effective as hoped or have proven to be unfeasible for the Downtown area. Moreover, since the date of the report, the District has seen the closing of several major commercial businesses including the Kingsport Foundry and the Quebecor manufacturing plant resulting in significant vacant and underutilized property. As a result, an aggressive approach to redevelopment is necessary for the purposes of removing, preventing and reducing blight, blighting factors and the causes of blight in the District.

The redevelopment project contemplated by this Plan is the redevelopment and economic revitalization of the District as a whole through the use of statutory redevelopment tools which will provide the stimulus needed to attract both public and private capital investment in the District ("Redevelopment Project"). The Redevelopment Project contemplated herein will consist of numerous developments within the District which, collectively with other private development stimulated by this Plan, is designed to achieve the goals of this Plan.

Based on the foregoing facts and circumstances and the condition of the District as a whole, the Board of Commissioners of the Kingsport Housing & Redevelopment Authority ("KHRA"), finds that the District is blighted as defined by Tenn. Code Ann. § 13-20-201 and should be redeveloped, rehabilitated, and renovated in order to correct such blighted, deteriorated, and dilapidated conditions. The KHRA recommends that the Board of Mayor & Alderman of the City of Kingsport ("BMA") and the Sullivan County Commission ("County Commission") adopt this finding and pledge their support of redevelopment activities within the District and offer their assistance in a public/private partnership as provided by the Plan.

B. Tax Increment Financing

Tax increment financing ("TIF") is a redevelopment tool codified at Tenn. Code Ann. §§13-20-204 and 205, et. seq. The purpose of TIF is to provide an economic stimulus for property within the District in need of redevelopment. Upon adoption of this Plan, TIF may be utilized to finance eligible redevelopment costs for the Redevelopment Project subject to the limitations herein. All property located within the District is referred to as "TIF Property." Any indebtedness issued by the KHRA pursuant to this Plan and for which tax increment revenue is pledged as collateral is hereafter referred to as "TIF Indebtedness."

Notwithstanding anything in this Plan to the contrary, the KHRA, in order to make the use of TIF expeditious and economically feasible for smaller redevelopment proposals, shall have the authority to approve redevelopment proposals in the District without further approval of the BMA or County Commission which do not involve TIF or which involve the issuance of TIF Indebtedness of \$500,000.00 or less. However, at no time shall the total outstanding unpaid balance of all TIF Indebtedness for the District be in excess of \$10,000,000.00 without further approval of the BMA and County Commission as applicable. The evaluation and approval of redevelopment proposals by KHRA shall be made in accordance with the KHRA Procedures for Redevelopment Proposals. All redevelopment proposals involving TIF Indebtedness in excess of \$500,000.00 shall be approved by the BMA and County Commission as applicable.

The redevelopment objectives of the Downtown Kingsport Redevelopment Plan will not occur to the degree proposed in this Plan without the use of TIF.

C. Estimated Costs of the Project.

At this time, the following redevelopment concepts are under consideration by the KHRA for the Downtown Kingsport Redevelopment District:

<u>Concept Proposals</u>	<u>Est. Total Cost</u>
1. Quebecor redevelopment	\$20,000,000
2. Renovation or replacement of Lee Apartments	\$11,500,000
3. Downtown Kingsport Parking Garage	\$ 3,800,000

The KHRA's mission in the promotion and expansion of affordable and public housing opportunities is critical to providing decent, safe, and sanitary housing for low income persons in the KHRA's service area. The KHRA is dedicated to promoting and expanding affordable and public housing through utilization of available redevelopment tools.

In 2001 the BMA adopted by Resolution the development objectives identified in the "Downtown Kingsport Gateways Development Plan" as prepared by the firm McCarty Holsaple McCarty & Ross Fowler under contract from the Model City Coalition ("Model City Coalition Plan"). The development objectives and proposals outlined in that plan are herein incorporated by reference and will be pursued to the extent feasible by the KHRA as part of the Redevelopment Project for the District. Such redevelopment proposals shall be pursued with KHRA acting as the developer where appropriate, in support of City initiatives where appropriate, or in support of public/private partnerships, when available and appropriate. The KHRA shall apply priority to development proposals which work towards the creation of a 24-hour-A-Day Critical Mass of People in the downtown district. This was identified in the Model City Coalition Plan as the single most important endeavor in stimulating economic development activity within the district, and is acknowledged as critical to the downtown's economic revitalization. The costs for the redevelopment proposals contained in this plan are unknown at this time but are deemed to be significant.

In addition, other redevelopment proposals are anticipated to develop pursuant to this Plan, the estimated costs of which are unknown at this time. However, absent further approval by the BMA and County Commission, as applicable, at no time shall the total outstanding unpaid balance of all TIF Indebtedness for the District be in excess of \$10,000,000.00

D. Sources of Revenue to Finance the Cost of the Project.

The primary sources of revenue to pay for the Redevelopment Project instituted pursuant to this Plan will be private investment, TIF Indebtedness (to be issued by the KHRA in the form of bonds, notes, or other indebtedness), and other available local, state and federal funding. Based on current interest rates and a 20 year amortization, the estimated combined tax increment revenue needed to support TIF Indebtedness would be approximately 10.50 cents per year for every dollar of TIF Indebtedness issued.

E. Amount and the Final Maturity of Bonded or other Indebtedness to be Incurred.

The final maturity date on any TIF Indebtedness issued pursuant to this Plan shall be no more than twenty years. The twenty year amortization period shall begin upon the KHRA's issuance of the TIF Indebtedness.

F. Impact of the Tax-Increment Financing Provisions Upon Taxing Agencies.

Because any money pledged for repayment of TIF Indebtedness is based upon projected future tax revenue generated by future increases in the property tax base, the net effect upon the current revenue base of the local taxing agencies is minimal. The total current assessed value of property within the District is approximately \$29,518,990. The total assessed value of the City of Kingsport's property tax base for the 2007 tax year is approximately \$904,874,675 which resulted in approximately \$20,645,071 of real property taxes being levied. The total assessed value of Sullivan County's property tax base for the 2007 tax year is approximately \$2,994,475,336 which resulted in approximately \$75,760,226 of real property taxes being levied. The current assessed value of the District represents approximately 3.3% of the City of Kingsport's property tax base and 1.0 % of the Sullivan County property tax base. However, based on a maximum total outstanding unpaid balance of \$10,000,000, the estimated tax revenue to repay this amount of indebtedness (based on a 20 year amortization and a 6% interest rate) would represent approximately 2.1% of the current City of Kingsport real property tax levy and -0.6% of the current Sullivan County total real property tax levy assuming equal participation by both taxing agencies. Based on these percentages, neither the City of Kingsport, nor Sullivan County (the two taxing agencies affected by this Redevelopment Project) will be substantially impacted by this tax-increment financing provision.

In addition, pursuant to Tenn. Code Ann. §13-20-205 (g), any portion of the Sullivan County tax rate pledged for repayment of indebtedness shall not be allocated as provided in Paragraph G below but shall be collected and paid to Sullivan County as all other property taxes are collected and paid.

G. Division of Property Taxes.

Upon approval of this Plan, the taxes levied and collected on any TIF Property shall be collected by the appropriate taxing authorities in the same manner as provided by law, except that said taxes shall be divided as follows:

1. The portion of the taxes which would be produced by the rate at which the tax is levied each year by each taxing agency, upon the assessed value of the TIF Property as shown upon the assessment roll of the appropriate assessor, as of the date of the most recently determined valuation prior to the date of approval of this Amended Plan by the City pursuant to T.C.A. §13-20-203 (the assessed value prior to the approval of this Plan being called the "Base Assessment") shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes levied by such taxing agencies as all other property taxes are paid; provided, that in any year in which the actual assessment of the TIF Property is less than the Base Assessment, there shall be allocated and paid to those respective taxing agencies only those taxes actually produced by the application of the current tax rates against such actual assessment;
2. All the taxes levied in each year in excess of the Base Assessment for all TIF Property shall be allocated to and, when collected, shall be paid into a special fund of the KHRA beginning with the tax year following the year in which the City approves this amended Plan. The taxes paid shall be used by the KHRA to pay the principal of and interest on any indebtedness incurred or to be incurred by the

KHRA to finance or refinance, in whole or in part, for the Redevelopment Project including property acquisition, public improvements, TIF administration expenses, KHRA redevelopment fees, and such other expenses as may be allowed by law.

3. Upon retirement of all TIF Indebtedness incurred by the KHRA and payable from such special fund, or at such time as monies on deposit in such special fund are sufficient for such purpose, all taxes levied each year in excess of the Base Assessment of TIF Property shall, when collected, be paid to the respective taxing agency as taxes levied by such taxing agencies on all other property are paid, and the KHRA shall give notice to all affected taxing agencies of such retirement.
4. Notwithstanding anything to the contrary in this Plan, taxes levied upon property subject to tax increment financing provisions by any taxing agency for the payment of principal of and interest on all bonds, loans or other indebtedness of such taxing agency, and taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in Paragraph 2 immediately above but shall be levied against the property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

H. Property Tax Assessments and Collection.

(A) The appropriate assessor shall, in each year during the period in which taxes are to be allocated to KHRA pursuant to Paragraph (G)(2), compute and certify the net amount, if any, by which the current assessed value of all TIF Property taxable property located within the redevelopment project which is subject to taxation by the particular taxing agency exceeds the Base Assessment. The net amount of any such increase is referred to in this subdivision as the incremental value for that particular year.

(B) In any year in which there exists a tax increment to be allocated to the KHRA, the appropriate assessor shall exclude it from the assessed value upon which the appropriate assessor computes the tax rates for taxes levied that year by the taxing agency. However, the assessor shall extend the aggregate tax rate of such taxes against the Base Assessment and the incremental value and shall apply the taxes collected therefrom as provided herein.

I. Documentation for Assessor's Office.

Upon approval of this Plan, the City Recorder and County Clerk shall transmit to the tax assessors and each taxing agency affected, a copy of the description of all land within the District and the date or dates of its acquisition by the Authority, a copy of the description of all property leased or sold to individuals or corporations for development in the Redevelopment District, a copy of the resolution approving the redevelopment plan or approving an Amendment thereto, and a map or plat indicating the boundaries of such property, and taxes shall thereafter, when collected, be allocated and paid in the manner provided above. In addition, the KHRA shall notify the tax assessor and each taxing agency affected upon each future acquisition of TIF Property and issuance of TIF Indebtedness within the District.

J. Excluded Taxes.

Notwithstanding anything to the contrary in this Plan, taxes levied upon property subject to tax increment financing provisions by any taxing agency for the payment of

principal of and interest on all bonds, loans or other indebtedness of such taxing agency, and taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in Paragraph G but shall be levied against the property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

K. Interpretation.

This Plan is being proposed pursuant to T.C.A. § 13-20-201, et. seq. and all relevant provisions are hereby incorporated herein by reference. All provisions of this Plan shall be construed in a manner consistent with said Code sections.

L. Conditions of Tax-Increment.

The KHRA may enter into a Redevelopment Agreement with each Developer of TIF Property which shall contain such terms as the KHRA believes necessary to ensure the efficient and orderly completion of the project. The KHRA shall be paid a redevelopment services fee from the proceeds of each TIF Indebtedness equal to two percent (2%) of the principal amount of each TIF Indebtedness issued pursuant to this Plan and an annual administration fee to be paid from the annual tax increment received by the KHRA from the City and County pursuant to this Plan equal to five percent (5%) of the total annual tax increment received by the KHRA.

M. Relocation Assistance.

No action is anticipated at this time which will permanently reduce the number of residential dwelling units having rents within the financial reach of the income groups displaced from such substandard dwellings. However, if any residents are displaced either permanently or temporarily, such residents will receive relocation assistance in accordance with the KHRA Relocation Plan which is located at Appendix C of the Redevelopment Plan.

N. Replacement of Prior Redevelopment Plans.

This Plan replaces and supercedes the Redevelopment Plan adopted by the KHRA and the City of Kingsport for Downtown Kingsport in 1989 as well as any other Redevelopment Plans which may have been adopted for any part of this District by the KHRA, BMA or County Commission. However, the plan amendment approved on November 20, 2007 by the Board of Mayor and Alderman of the City of Kingsport pursuant to Resolution No. 2008 – 100, which incorporated the former Quebecor Site into the Downtown Kingsport Redevelopment District is incorporated herein by reference.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the ____ day of December, 2008.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY

DRAFT

FIRST AMENDED AND RESTATED REDEVELOPMENT PLAN FOR THE DOWNTOWN KINGSPORT REDEVELOPMENT DISTRICT

WHEREAS, on May 17, 2005, pursuant to Resolution No. 2005-125, the Board of Mayor and Alderman of the City of Kingsport adopted an amendment to the City of Kingsport's Redevelopment Plan for Core Urban Areas which created a redevelopment district for the downtown area of the City of Kingsport ("the Downtown Kingsport Amendment"); and

WHEREAS, since the adoption of the Downtown Kingsport Amendment, Tennessee law governing redevelopment and the use of tax increment financing has been amended to allow for the use of "district wide" tax increment financing; and

WHEREAS, it is believed that the implementation of a "district wide" TIF concept will result in the more efficient and expeditious redevelopment of the Downtown Kingsport Redevelopment District; and

NOW, THEREFORE, the Downtown Kingsport Amendment is hereby revised and replaced in its entirety as follows:

A. District Description and History

The Downtown Redevelopment District is generally bounded by Clinchfield Street on the west, Sullivan to Watauga to Sevier to Poplar to Dale Streets on the north, Wilcox Drive on the east, and the Clinchfield Railroad on the south; the District then crosses the railroad tracks to include a southern area bounded by Lincoln Street on the north, Wheatley Street on the east, and Dunbar Street on the South and West. The district also includes the former Quebecor Site which is an approximately 16.30-acre area bounded by Clinchfield Street to the east, Center Street to the south, Roller Street to the west, and Sullivan Street to the north (collectively the "District")

The District contains approximately 60 city blocks and 600 business tenants, the public housing communities of Lee & Riverview, and the Old Washington School. The Downtown Redevelopment District is shown on the map attached hereto as Exhibit A.

The commercial area consists of the city's central business district and is generally characterized by single ownership and single structures occupying one or more parcels. Many of the structures are economically obsolete and physically deteriorated. The City Building Department has identified commercial

structures that have deteriorated to the extent that major repairs may be impractical. The District also contains a high rate of vacant buildings; the overall state of repair of these buildings creates a condition that could be dangerous to the persons and property within the District and projects a negative image of the City.

The public housing communities were constructed in the 1940s and are economically obsolete, as they do not meet the current housing needs of the community in terms of design and amenities and have high maintenance costs. The Kingsport Housing & Redevelopment Authority ("KHRA") is currently analyzing how best to manage these structures. The Riverview public housing project is currently undergoing a complete demolition and reconstruction with single family residences and duplexes funded partially through a HOPE VI grant. Options for the Lee housing project include major rehabilitation, demolition, and new construction. Other residential units scattered throughout the District have various structural deficiencies and may be considered substandard.

The Downtown area of the City of Kingsport has been faced with the major economic trends that have been affecting other urban cores across the nation – namely a flight of retail dollars from Downtown shopping districts to suburban shopping malls, strip centers and office parks. Capital reinvestment in Downtown properties has been below desired thresholds for years. Faced with a continuing decline, some tenants of the Downtown have departed as their leases have expired and prospective tenants and owners have elected to locate their operations on the City's fringe. All of these activities have a negative impact on the Downtown District, creating a situation where it becomes ever more difficult to serve the commercial and service needs of today's market.

A portion of the District was included as a study area in the Redevelopment Plan for Core Urban Areas which was initially adopted by the City of Kingsport in 2001. As a result of its inclusion as a study area, a November 7, 2001, report titled Economic Analysis of Redevelopment Areas was prepared for the KHRA by Economic Research Associates. This report documented numerous conditions and factors in the downtown area which supported a finding of blight. Specifically, the report noted the absence of any substantial activity at night, the high number of vacant and partially vacant buildings, the high percentage of fire code violations and the lack of retail diversity. The report recommended that while the Downtown area could potentially be considered blighted under a typical analysis a more conservative approach such as public infrastructure investment, more aggressive marketing, and other economic incentives should be considered to eliminate these conditions. In addition, a report prepared for KHRA by Basile Baumann Prost & Associates, Inc. dated July 11, 2007, found that the former Quebecor site met the definition of blight as set forth in Tennessee law.

Unfortunately, the more conservative approaches recommended by the report have not been as effective as hoped or have proven to be unfeasible for the Downtown area. Moreover, since the date of the report, the District has seen the closing of several major commercial businesses including the Kingsport Foundry and the Quebecor manufacturing plant resulting in significant vacant and underutilized property. As a result, an aggressive approach to redevelopment is necessary for the purposes of removing, preventing and reducing blight, blighting factors and the causes of blight in the District.

The redevelopment project contemplated by this Plan is the redevelopment and economic revitalization of the District as a whole through the use of statutory redevelopment tools which will provide the stimulus needed to attract both public and private capital investment in the District ("Redevelopment Project"). The Redevelopment Project contemplated herein will consist of numerous developments within the District which, collectively with other private development stimulated by this Plan, is designed to achieve the goals of this Plan.

Based on the foregoing facts and circumstances and the condition of the District as a whole, the Board of Commissioners of the Kingsport Housing & Redevelopment Authority ("KHRA"), finds that the District is blighted as defined by Tenn. Code Ann. § 13-20-201 and should be redeveloped, rehabilitated, and renovated in order to correct such blighted, deteriorated, and dilapidated conditions. The KHRA recommends that the Board of Mayor & Alderman of the City of Kingsport ("BMA") and the Sullivan County Commission ("County Commission") adopt this finding and pledge their support of redevelopment activities within the District and offer their assistance in a public/private partnership as provided by the Plan.

B. Tax Increment Financing

Tax increment financing ("TIF") is a redevelopment tool codified at Tenn. Code Ann. §§13-20-204 and 205, et. seq. The purpose of TIF is to provide an economic stimulus for property within the District in need of redevelopment. Upon adoption of this Plan, TIF may be utilized to finance eligible redevelopment costs for the Redevelopment Project subject to the limitations herein. All property located within the District is referred to as "TIF Property." Any indebtedness issued by the KHRA pursuant to this Plan and for which tax increment revenue is pledged as collateral is hereafter referred to as "TIF Indebtedness."

Notwithstanding anything in this Plan to the contrary, the KHRA, in order to make the use of TIF expeditious and economically feasible for smaller redevelopment proposals, shall have the authority to approve redevelopment proposals in the District without further approval of the BMA or County Commission which do not involve TIF or which involve the issuance of TIF

Indebtedness of \$500,000.00 or less. However, at no time shall the total outstanding unpaid balance of all TIF Indebtedness for the District be in excess of \$10,000,000.00 without further approval of the BMA and County Commission as applicable. The evaluation and approval of redevelopment proposals by KHRA shall be made in accordance with the KHRA Procedures for Redevelopment Proposals. All redevelopment proposals involving TIF Indebtedness in excess of \$500,000.00 shall be approved by the BMA and County Commission as applicable.

The redevelopment objectives of the Downtown Kingsport Redevelopment Plan will not occur to the degree proposed in this Plan without the use of TIF.

C. Estimated Costs of the Project.

At this time, the following redevelopment concepts are under consideration by the KHRA for the Downtown Kingsport Redevelopment District:

<u>Concept Proposals</u>	<u>Est. Total Cost</u>
1. Quebecor redevelopment	\$20,000,000
2. Renovation or replacement of Lee Apartments	\$11,500,000
3. Downtown Kingsport Parking Garage	\$ 3,800,000

The KHRA's mission in the promotion and expansion of affordable and public housing opportunities is critical to providing decent, safe, and sanitary housing for low income persons in the KHRA's service area. The KHRA is dedicated to promoting and expanding affordable and public housing through utilization of available redevelopment tools.

In 2001 the BMA adopted by Resolution the development objectives identified in the "Downtown Kingsport Gateways Development Plan" as prepared by the firm McCarty Holsaple McCarty & Ross Fowler under contract from the Model City Coalition ("Model City Coalition Plan"). The development objectives and proposals outlined in that plan are herein incorporated by reference and will be pursued to the extent feasible by the KHRA as part of the Redevelopment Project for the District. Such redevelopment proposals shall be pursued with KHRA acting as the developer where appropriate, in support of City initiatives where appropriate, or in support of public/private partnerships, when available and appropriate. The KHRA shall apply priority to development proposals which work towards the creation of a 24-hour-A-Day Critical Mass of People in the downtown district. This was identified in the Model City Coalition Plan as the single most important endeavor in stimulating economic development activity within the district, and is acknowledged as critical to the downtown's economic revitalization. The costs for the redevelopment proposals contained in this plan are unknown at this time but are deemed to be significant.

In addition, other redevelopment proposals are anticipated to develop pursuant to this Plan, the estimated costs of which are unknown at this time. However, absent further approval by the BMA and County Commission, as applicable, at no time shall the total outstanding unpaid balance of all TIF Indebtedness for the District be in excess of \$10,000,000.00

D. Sources of Revenue to Finance the Cost of the Project.

The primary sources of revenue to pay for the Redevelopment Project instituted pursuant to this Plan will be private investment, TIF Indebtedness (to be issued by the KHRA in the form of bonds, notes, or other indebtedness), and other available local, state and federal funding. Based on current interest rates and a 20 year amortization, the estimated combined tax increment revenue needed to support TIF Indebtedness would be approximately 10.50 cents per year for every dollar of TIF Indebtedness issued.

E. Amount and the Final Maturity of Bonded or other Indebtedness to be Incurred.

The final maturity date on any TIF Indebtedness issued pursuant to this Plan shall be no more than twenty years. The twenty year amortization period shall begin upon the KHRA's issuance of the TIF Indebtedness.

F. Impact of the Tax-Increment Financing Provisions Upon Taxing Agencies.

Because any money pledged for repayment of TIF Indebtedness is based upon projected future tax revenue generated by future increases in the property tax base, the net effect upon the current revenue base of the local taxing agencies is minimal. The total current assessed value of property within the District is approximately \$29,518,990. The total assessed value of the City of Kingsport's property tax base for the 2007 tax year is approximately \$904,874,675 which resulted in approximately \$20,645,071 of real property taxes being levied. The total assessed value of Sullivan County's property tax base for the 2007 tax year is approximately \$2,994,475,336 which resulted in approximately \$75,760,226 of real property taxes being levied. The current assessed value of the District represents approximately 3.3% of the City of Kingsport's property tax base and 1.0 % of the Sullivan County property tax base. However, based on a maximum total outstanding unpaid balance of \$10,000,000, the estimated tax revenue to repay this amount of indebtedness (based on a 20 year amortization and a 6% interest rate) would represent approximately 2.1% of the current City of Kingsport real property tax levy and - 0.6% of the current Sullivan County total real property tax levy assuming equal participation by both taxing agencies. Based on these percentages, neither the

City of Kingsport, nor Sullivan County (the two taxing agencies affected by this Redevelopment Project) will be substantially impacted by this tax-increment financing provision.

In addition, pursuant to Tenn. Code Ann. §13-20-205 (g), any portion of the Sullivan County tax rate pledged for repayment of indebtedness shall not be allocated as provided in Paragraph G below but shall be collected and paid to Sullivan County as all other property taxes are collected and paid.

G. Division of Property Taxes.

Upon approval of this Plan, the taxes levied and collected on any TIF Property shall be collected by the appropriate taxing authorities in the same manner as provided by law, except that said taxes shall be divided as follows:

1. The portion of the taxes which would be produced by the rate at which the tax is levied each year by each taxing agency, upon the assessed value of the TIF Property as shown upon the assessment roll of the appropriate assessor, as of the date of the most recently determined valuation prior to the date of approval of this Amended Plan by the City pursuant to T.C.A. §13-20-203 (the assessed value prior to the approval of this Plan being called the "Base Assessment") shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes levied by such taxing agencies as all other property taxes are paid; provided, that in any year in which the actual assessment of the TIF Property is less than the Base Assessment, there shall be allocated and paid to those respective taxing agencies only those taxes actually produced by the application of the current tax rates against such actual assessment;
2. All the taxes levied in each year in excess of the Base Assessment for all TIF Property shall be allocated to and, when collected, shall be paid into a special fund of the KHRA beginning with the tax year following the year in which the City approves this amended Plan. The taxes paid shall be used by the KHRA to pay the principal of and interest on any indebtedness incurred or to be incurred by the KHRA to finance or refinance, in whole or in part, for the Redevelopment Project including property acquisition, public improvements, TIF administration expenses, KHRA redevelopment fees, and such other expenses as may be allowed by law.
3. Upon retirement of all TIF Indebtedness incurred by the KHRA and payable from such special fund, or at such time as monies on deposit in such special fund are sufficient for such purpose, all taxes levied each year in excess of the Base Assessment of TIF Property shall, when collected, be paid to the respective taxing agency as taxes levied by such

- taxing agencies on all other property are paid, and the KHRH shall give notice to all affected taxing agencies of such retirement.
4. Notwithstanding anything to the contrary in this Plan, taxes levied upon property subject to tax increment financing provisions by any taxing agency for the payment of principal of and interest on all bonds, loans or other indebtedness of such taxing agency, and taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in Paragraph 2 immediately above but shall be levied against the property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

H. Property Tax Assessments and Collection.

(A) The appropriate assessor shall, in each year during the period in which taxes are to be allocated to KHRH pursuant to Paragraph (G)(2), compute and certify the net amount, if any, by which the current assessed value of all TIF Property taxable property located within the redevelopment project which is subject to taxation by the particular taxing agency exceeds the Base Assessment. The net amount of any such increase is referred to in this subdivision as the incremental value for that particular year.

(B) In any year in which there exists a tax increment to be allocated to the KHRH, the appropriate assessor shall exclude it from the assessed value upon which the appropriate assessor computes the tax rates for taxes levied that year by the taxing agency. However, the assessor shall extend the aggregate tax rate of such taxes against the Base Assessment and the incremental value and shall apply the taxes collected therefrom as provided herein.

I. Documentation for Assessor's Office.

Upon approval of this Plan, the City Recorder and County Clerk shall transmit to the tax assessors and each taxing agency affected, a copy of the description of all land within the District and the date or dates of its acquisition by the Authority, a copy of the description of all property leased or sold to individuals or corporations for development in the Redevelopment District, a copy of the resolution approving the redevelopment plan or approving an Amendment thereto, and a map or plat indicating the boundaries of such property, and taxes shall thereafter, when collected, be allocated and paid in the manner provided above. In addition, the KHRH shall notify the tax assessor and each taxing agency affected upon each future acquisition of TIF Property and issuance of TIF Indebtedness within the District.

J. Excluded Taxes.

Notwithstanding anything to the contrary in this Plan, taxes levied upon property subject to tax increment financing provisions by any taxing agency for the payment of principal of and interest on all bonds, loans or other indebtedness of such taxing agency, and taxes levied by or for the benefit of the State of Tennessee, shall not be subject to allocation as provided in Paragraph G but shall be levied against the property and, when collected, paid to such taxing agency as taxes levied by such taxing agency on all other property are paid and collected.

K. Interpretation.

This Plan is being proposed pursuant to T.C.A. § 13-20-201, et. seq. and all relevant provisions are hereby incorporated herein by reference. All provisions of this Plan shall be construed in a manner consistent with said Code sections.

L. Conditions of Tax-Increment.

The KHRA may enter into a Redevelopment Agreement with each Developer of TIF Property which shall contain such terms as the KHRA believes necessary to ensure the efficient and orderly completion of the project. The KHRA shall be paid a redevelopment services fee from the proceeds of each TIF Indebtedness equal to two percent (2%) of the principal amount of each TIF Indebtedness issued pursuant to this Plan and an annual administration fee to be paid from the annual tax increment received by the KHRA from the City and County pursuant to this Plan equal to five percent (5%) of the total annual tax increment received by the KHRA.

M. Relocation Assistance.

No action is anticipated at this time which will permanently reduce the number of residential dwelling units having rents within the financial reach of the income groups displaced from such substandard dwellings. However, if any residents are displaced either permanently or temporarily, such residents will receive relocation assistance in accordance with the KHRA Relocation Plan which is located at Appendix C of the Redevelopment Plan.

N. Replacement of Prior Redevelopment Plans.

This Plan replaces and supercedes the Redevelopment Plan adopted by the KHRA and the City of Kingsport for Downtown Kingsport in 1989 as well as any other Redevelopment Plans which may have been adopted for any part of this District by the KHRA, BMA or County Commission. However, the plan amendment approved on November 20, 2007 by the Board of Mayor and

Alderman of the City of Kingsport pursuant to Resolution No. 2008 – 100, which incorporated the former Quebecor Site into the Downtown Kingsport Redevelopment District is incorporated herein by reference.



AGENDA ACTION FORM

Consideration of a Resolution Regarding Franchise Fees Required by the Competitive Cable and Video Services Act

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-361-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 2, 2008
 Staff Work By: Demming, Billingsley
 Presentation By: M. Billingsley

Recommendation: Approve the resolution.

Executive Summary:

The Competitive Cable and Video Services Act was enacted in Tennessee earlier this year. The Act allows cable providers to obtain a state wide cable franchise. Charter Communications has applied for and received a state wide franchise to provide cable services. This means that the franchise agreement it has with the city is no longer the governing document for the provisions of its cable service. Certain aspects of the franchise agreement are still applicable until the date the agreement would have expired, if not for the state wide franchise permitted by the Act. However, to preserve some provisions of the franchise agreement concerning the franchise fee the governing body must approve of a resolution indicating an intent to so preserve.

Under the Act when a cable provider obtains a state wide cable franchise the franchise fee for the local government is five (5%) percent of the gross revenues, which does not include the franchise fee. In other words, the franchise fee is not included as part of the gross revenue used to determine the amount of the franchise fee. However, the franchise agreement with the city was a fee on fee franchise fee. This means the franchise fee under the city's franchise agreement was included as gross revenue so the effective rate of the franchise fee was slightly greater than five (5%) percent. To preserve this for what would have been the term of the agreement the board must approve a resolution retaining the franchise fee as part of the gross revenues and submitting the resolution to the Tennessee Regulatory Authority. Without the resolution the franchise fee will be five (5%) percent, and the city will lose a portion of its intended revenue for the term of the agreement, which was set to expire on July 27, 2012.

Attachments:

1. Resolution

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—

RESOLUTION NO. _____

A RESOLUTION TO RETAIN THE FRANCHISE FEE AS
PART OF GROSS REVENUES FOR CABLE AND VIDEO
SERVICES

WHEREAS, the state of Tennessee has enacted the Competitive Cable and Video Services Act as Public Chapter No. 932 of the Public Acts of 2008; and

WHEREAS, the Act allows cable providers to obtain a state wide cable franchise;
and

WHEREAS, Charter Communications has filed a request with the Tennessee Regulatory Authority for a state wide cable franchise; and

WHEREAS, when a cable provider obtains a state wide cable franchise the franchise fee is five (5%) percent of the gross revenues; and

WHEREAS, the franchise fee permitted in the franchise agreement between the City of Kingsport and Charter Communications is five (5%) percent of the gross revenues including the franchise fee, commonly known as a fee on fee franchise fee, which has the effect of making the actual receipt of revenue by the city at a percentage slightly greater than five (5%) percent; and

WHEREAS, the definition of gross revenues in the Act does not include the franchise fee; and

WHEREAS, section 4(11)(A)(i) of the Act allows the board of mayor and aldermen to adopt a resolution that results in the inclusion of the franchise fee in the definition of gross revenues for the remainder of what would have been the term of the local franchise agreement thereby preserving the franchise fee provided for by the local franchise agreement; and

WHEREAS, the board finds that such resolution should be approved;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS
FOLLOWS:

SECTION I. That pursuant to section 4(11)(A)(i) of the the Competitive Cable and Video Services Act, Public Chapter No. 932 of the Public Acts of 2008 the franchise fee shall be included as part of the definition of gross revenues, as defined by the Act, for the remainder of what would have been the term of the local franchise agreement, which term ends July 27, 2012.

SECTION II. That pursuant to the Act a certified copy of this resolution shall be sent to the Tennessee Regulatory Authority as the notice required by the Act.

SECTION III. That the effect of this resolution shall be retroactive to the date of the application of Charter Communication with the Tennessee Regulatory Authority for a state wide franchise.

ADOPTED this the ____ day of December, 2008.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of a Resolution Supporting the Kingsport Board of Education and its Urging of all Eligible Employees to Vote No in the Upcoming Recognition Election

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Agenda Form No.: AF-377-2008
 Work Session: December 1, 2008
 First Reading: N/A

Final Adoption: December 2, 2008
 Staff Work: Campbell
 Presentation: Campbell

Recommendation: Approve the resolution.

Executive Summary:

The Board of Education has been petitioned by the Kingsport Education Association for a union recognition election. The election will take place this month and will be opened eligible professional employees of the Kingsport city schools. The purpose of the election is to determine whether the employees desire to have a union as their exclusive representative for the purpose of negotiating with the school administration and the school board. If the union received a majority of the votes cast in the upcoming election it will be the sole representative of the employees and will engage in collective bargaining with the school system.

Collective bargaining for public employees is not a positive action. The school board is always open to the input of teachers in the educational process. There are many mandates placed upon the education system now by state and federal laws and this creates some genuine need for change. However, collective bargaining is not the answer and is likely to produce an adversarial relationship between the school system and its employees.

We have one of the best school systems in the state. Most of the best regarded school systems in the state do not engage in collective bargaining. This community has always been a strong supporter of education and its employees without the need for collective bargaining. The attached resolution sets out the position of the board of mayor and aldermen on this issue, and it asks the eligible employees to vote no in the upcoming union recognition election.

Attachments:

1. Resolution

	Y	N
Joh	—	—
Mallicote	—	—
Marsh	—	—
Munsey	—	—
Shull	—	—
Shupe	—	—
Phillips	—	—

RESOLUTION NO. _____

A RESOLUTION SUPPORTING THE KINGSPORT BOARD
OF EDUCATION AND ITS URGING OF OF ALL ELIGIBLE
EMPLOYEES TO VOTE NO IN THE UPCOMING
RECOGNITION ELECTION

WHEREAS, the businesses and public entities in this community have a long tradition of meeting with and responding to employees needs; and

WHEREAS, the Kingsport Board of Education has been petitioned by some of its teachers to allow for a vote on union recognition; and

WHEREAS, the board of mayor and aldermen desires to make its position known on this matter; and

WHEREAS, Kingsport City Schools provides children with an excellent education; and

WHEREAS, the Kingsport Board of Education has traditionally provided annual raises above the state allocation without collective bargaining and provided an open door of communication for its employees; and

WHEREAS, the Kingsport Board of Education has budgeted in excess of \$1 million annually for professional development and training of the teaching staff to support the work in the classroom; and

WHEREAS, generally the highest regarded public schools in Tennessee do not have collective bargaining; and

WHEREAS, the board of mayor and aldermen believes that collective bargaining will not have a positive impact on the school system; and

WHEREAS, the board of mayor and aldermen supports the position of the Kingsport Board of Education in affirming its commitment to excellence in education for all students and its opposition to the proposed recognition of the Kingsport Education Association as the exclusive representative for collective bargaining;

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS
FOLLOWS:

SECTION I. That the board of mayor and aldermen encourages all eligible school employees to vote no in the upcoming recognition election, the board believing that a no

vote is in the best interest of the students, teachers and school system.

SECTION II. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 2nd day of December, 2008.

DENNIS R. PHILLIPS, MAYOR

ATTEST:

JAMES H. DEMMING, CITY RECORDER

APPROVED AS TO FORM:

J. MICHAEL BILLINGSLEY, CITY ATTORNEY



AGENDA ACTION FORM

Consideration of Reappointments to the Kingsport Emergency Communications District E-911 Board.

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-371-2008
 Work Session: December 1, 2008
 First Reading: December 2, 2008

Final Adoption: December 2, 2008
 Staff Work By: Phyllis Gibson
 Presentation By: Chief Gale Osborne

BMA Strategic Plan 2005-2006

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

CV #:

KSF #

KSO #

Recommendation: Approve the reappointment of James Keesling and Farris Jackson to the Kingsport Emergency Communication District E-911 Board.

Executive Summary:

Mr. Keesling and Mr. Jackson are currently serving on the E-911 Board having been appointed to complete the term of three years, which will expire December 31, 2008. Mr. Keesling and Mr. Jackson have agreed to serve an additional three (3) year term on the board, if approved by the Board of Mayor and Aldermen. The new term will begin on January 1, 2009 and will expire on December 31, 2011.

Attachments:

1. Bio of James Keesling
2. Bio of Farris Jackson

Funding source appropriate and funds are available N/A

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Maness	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Phillips	—	—	—

JAMES F. KEESLING

Date of Birth:	February 22, 1933
Place of Birth:	Sugar Grove, Virginia
Married:	Bernice Kimberlin June 15, 1968
Residence:	712 Chippendale Kingsport, TN 37660

POSITION HISTORY:

August 1986 to Present	Chief of Police, Kingsport, TN
1980 to July 31, 1986	Tenn. Bureau of Investigation Assistant Director Nashville, TN
1968 to 1980	Tenn. Bureau of Investigation Special Agent Criminal Investigator
Fall 1978	Walters State Community College Morristown, TN Part-time Instructional Faculty Criminal Justice Department
1962 - 1968	Chief of Detectives Bristol Police Department Bristol, TN
July 1962 - October 1962	Patrolman Richmond Police Department Richmond, VA
December 1957 - July 1962	Patrolman Bristol Police Department Bristol, VA
December 1955 - December 1957	Patrolman Abingdon Police Department Abingdon, VA

POSITION HISTORY (Cont'd)

Other

Qualified Instructor and
Lecturer, Tennessee Law
Enforcement Training Academy
Donelson, TN

Certified Criminal Justice
Instructor
East Tennessee State University
Johnson City, TN

EDUCATIONAL AND PROFESSIONAL TRAINING

1981	Bachelor of Science Degree Criminal Justice Administration East Tennessee State University Johnson City, TN Graduated Magna Cum Laude: GPA 3.60/4.00
1976	Associate of Science Degree Criminal Justice Technology Walters State Community College Morristown, TN Graduated Magna Cum Laude
1974	Graduate, FBI National Academy, 96th Session
1962	Graduate, Bureau of Police Academy Richmond, VA

MEMBERSHIPS IN PROFESSIONAL AND CIVIC ORGANIZATIONS

1997 (September) appointed to CALEA (Commission on Accreditation for Law Enforcement Agencies Inc.) Task Force Coalition.

1993 President, FBI National Academy Executive Board.
This board is the most prestigious board in law enforcement, helping to set policy for all law enforcement training in the United States and the Free World.

MEMBERSHIPS IN PROFESSIONAL AND CIVIC ORGANIZATIONS (Cont'd)

Commissioner Peace Officers Standards and Training (POST)
Commission. Appointed by Governor Sundquist March 1995.

Law Enforcement Advisory Committee. Appointed to committee
by United States Senator Fred Thompson November 1995.

Member of the National Law Enforcement Council

Member Executive Committee, Department of Justice,
Law Enforcement Coordinating Committee, U. S. Attorneys,
Eastern District of Tennessee

Member of Uniform Crime Records Committee, International
Association of Chiefs of Police

Executive Committee Member, Jacobs Creek Job Corps
Community Relations Council

Member and Past President, FBI National Academy,
Tennessee Chapter

Member and Past First District Chairman, Tennessee Law
Enforcement Officers Association

Past President, Appalachian Crime Clinic

Member, Regional Organized Crime Information Center,
covering the southeast United States

Member of Masonic Lodge 688

Knight Commander of the Court of Honor of 32nd Degree Masons

Member and Past President, Scottish Rite Masonry,
Sullivan County, Tennessee

Member, Shriners, Jericho Temple

Past President, West Kingsport Optimist Club, Kingsport

Member of Kingsport Rotary Club

MEMBERSHIPS IN PROFESSIONAL AND CIVIC ORGANIZATIONS (Cont'd)

Board of Directors, SAFE House, Inc.

Board of Directors, American Heart Association,
East Tennessee Region

Board of Directors, Tri-City Bank and Trust Company

Board of Directors, Kingsport Area Safety Council

Chairman, Kingsport 911 Emergency Communications District

Member of Mayfair United Methodist Church. Serve
on Administrative Board, Finance Committee, Executive Committee,
and Chairman, Vision 2000 Committee for Attendance.

Executive Board of the Sequoyah Council of Boy Scouts
of America.

Board of Directors, Kingsport Salvation Army

HONORS AND AWARDS

Kingsport Optimist Club Respect for Law Award for Distinguished
and Dedicated Service Advancing the Respect for Law Objective
of Optimist International, presented May 12, 1997.

Optimist Club of Downtown Kingsport Law Enforcement Award for
Distinguished and Dedicated Service Advancing Respect for Law,
presented May 5, 1997.

1996 Andrew Jackson Medal, P.G.M., Grand Lodge of
Tennessee, F. & A.M, for outstanding support of Masonic Order
and community service.

1996 Recognition and Appreciation for Dedicated Efforts as
Chairman of the E-911 Kingsport Emergency Communications
District Board of Directors.

1995 Award of Honor, East Tennessee State University
National Alumni Association.

Recognized twice by the Rotary Club as a Paul Harris Fellow.

HONORS AND AWARDS (Cont'd)

Phi Kappa Phi National Honor Society, East Tennessee State University Chapter and National Chapter. Requires 3.60 average for membership.

Special commendation from National Police Officers Association of American and National Police Hall of Fame

Commendation from Directors J. Edgar Hoover and Clarence M. Kelly, Federal Bureau of Investigation

Law Enforcement Officer of the Year, Downtown Optimist Club, Kingsport, Tennessee, 1975 and 1980

Law Enforcement Award for Distinguished and Dedicated Service, Downtown Optimist Club, Kingsport, 1973 and 1978

Law Enforcement Officer of the Year, 1972, Kingsport Exchange Club.

Optimist Club Appreciation Award, 1989

Distinguished Service Award for Unselfish and Outstanding Service to Community, State, and Nation, 1991, American Legion

Respect for Law Award presented by Optimist Club of Colonial Heights for Distinguished and Dedicated Service Advancing the Respect for Law Objectives, 1992

The American Legion Distinguished Service Award presented November 16, 1992, for Unselfish and Outstanding Service to the Community, State and Nation

1993 Distinguished Law Enforcement Executive Appreciation Award from Walters State Community College

1998 Inducted into the Hall of Fame at Walters State Community College, Morristown, TN

HOBBIES

Participation in community activities

RESUME'

NAME:

Farris Jackson
~~P: O. Box 3588~~ 110 PERIWINKLE PLACE
Kingsport, TN ~~37664~~ 37660-7122
(H) 423-343-7755
~~(O) 423-378-4411~~
~~(HOME FAX) 423-343-7714~~

BORN:

August 16, 1931
Memphis, Tennessee

SCHOOLS:

Memphis Public Schools, Grades 1-9
The Taft School, Watertown, CT, Grades 9-12
Washington & Lee University, Lexington, VA
BS in Commerce, 1954

MARRIED:

June 19, 1954, Susan Walker Satterfield, Hollins College, Roanoke,
VA, 1952-1954; East Tennessee State University, 1974-
1977, BFA in Photography, 1977

CHILDREN:

Farris Jackson, Jr., MD, b. 7/10/55
Woodbery Forest School, Grades 9-12
Harvard University, BS in Biology, Cum Laude, 1978
Vanderbilt Medical School, MD, May 1982
Medical College of Virginia, Resident, 1982-1985
St. Louis University Hospital, Fellowship in Pulmonary
Medicine, 1985-1988, Assistant Professor, Pulmonary
Medicine, 1988-1991, Private Practice, Pulmonary
Medicine, 1991- Present
Wife, Nancy, four children, Christopher, Carolyn, Patricia and
Andrew.

Elizabeth (Liz) L. Hullander, b. 3/25/58
Kingsport City Schools through Grade 12
University of Tennessee, BS in Elementary Education, 1980
Husband, Bucky, three children, Brett, Jackson and Witt.

Frederick (Rick) S. Jackson, b. 3/30/59
Kingsport City Schools thru Grade 12
University of Tennessee
Wife, Jen, two children, Brady and Blake

SERVICE:

U. S. Navy, LTJG Reserve, 1951-1954, Active Duty, 1954-1956
National Security Agency, Washington, DC

RELIGION: First Presbyterian Church, Kingsport, Tennessee

BUSINESS: Sears, Roebuck & Company, 1956-1974
 Management Training, 1 year, Memphis, Tennessee
 Department Manager, 3 years, Memphis, Tennessee
 Assistant Store Manager, 7 years, Natchez, MS
 Hattiesburg, MS and Fayetteville, NC
 Store Manager, 7 years, Birmingham, AL and Kingsport, TN

Greene Supply Company, Industrial Sales, 1975-1976

Lyle Construction Company of Kingsport, Inc., 1976-1982
 President and One-half Owner.

Blue Ridge Properties, Inc., 1982-~~Present~~ 2007
 Managing Broker, Commercial Department 1984-1994

**COMMUNITY
 ACTIVITY:** Chamber of Commerce, Birmingham, AL (Eastern Area)
 Director, 1967-1969
 President, 1968-1969

Chamber of Commerce, Kingsport, TN
 Director, 1970-1972, 1975-1979, 1988-1991
 President-Elect, 1976-1977
 President, 1977-1978
 Fun Fest Executive Committee, 1982
 Economic Development Council, 1983-1985
 Airshow '88, Representative, 1987-1988
 Airshow '91, Representative, 1990-1991
 Airshow '96, Representative, 1995-1996
 Golf Scramble Chairman, 1994-1995
 Golf Scramble Chairman, 1995-1996
 Airshow '88, U. S. Air Force "Thunderbirds"
 Steering Committee
 Physical Support Chairman
 Airshow '91, U. S. Navy "Blue Angels"
 Show Chairman
 Airshow '96, U. S. Air Force "Thunderbirds"
 Show Chairman
 Small Business Start-Up Committee
 Committee, 1995 - 2000
 Kingsport Area Chamber of Commerce Foundation,
 1997- 2003

Santa Parade, Grand Marshall, 1999
Lifetime Membership Award, 1999
Airshow '02, Consultant, Deputy Director

Community Chest of Kingsport
Director, 1970-1985
Campaign Chairman, 1972

Rotary Club of Kingsport
Director, 1970-1983
Treasurer, 1982-1983
Conference Committee, 1995
Conference Committee, 1997
Secretary, 1998 - 2000
MEMBER 1970 - PRESENT

Kingsport Voluntary Action Committee
Co-Chairman, Founding Committee
Director, 1973-1978
Treasurer, 1973-1974
President, 1975-1976

Kingsport Fine Arts Center
Director, 1973-1979
Treasurer, 1974-1975
Vice-President, 1976-1977

Junior Achievement of Kingsport, Inc.
Director, 1973-1996
Nominating Committee, 1982-1991
Vice-President, 1976-1978
President- Elect, 1979-1980
President, 1980-1981
President, Board of Trustees, 1991- 1996
1st JA Hall of Fame, Steering Committee, 1993-1994
2nd JA Hall of Fame, Steering Committee, 1994-1995
3rd JA Hall of Fame, Steering Committee, 1995-1996
4th JA Hall of Fame, Steering Committee, 1996-1997
5th JA Hall of Fame, Steering Committee, 1997-1998
6th JA Hall of Fame, Steering Committee, 1998-1999
7th JA Hall of Fame, Steering Committee, 1999-2000
8th JA Hall of Fame, Steering Committee, 2000-2001

**Tennessee Performing Arts Center, Nashville, TN
Kingsport Campaign Chairman, 1974**

Amateur Radio Operator, KA4KWK

Clean Kingsport

Director, 1990-1994

Vice-Chairman, 1991-1992

Chairman, 1993

National Ski Patrol System, Inc., Denver, CO

Patroller, 1972-1996

Patrol Leader, 1975-1979

Division Telecommunications Advisor, 1975-1986

Winter Emergency Care Course Instructor

Executive Committee, Southern Division, 1979-1994

First Assistant Division Director, Southern Division, 1979-1985

National Appointment, 1980

National Board of Directors, 1985-1989

Division Director, Southern Division, 1985-1989

Winter Emergency Care, Instructor, Trainer, 1987-1993

Division Awards Advisor, Southern Division, 1989-1993

National Board Meeting, Kingsport, TN, Facilitator, 1996 -1998

Southern Division Election Coordinator, 1999-2002

**Southern Appalachian Highlands Conservancy,
Kingsport Campaign Co-Chairman, 1984**

Kingsport Boys Club

Director, 1972-1976

Senior Information and Referral Service

Director, 1974-1978

Vice-president, 1975-1976

Junior League of Kingsport, Inc.

Citizens Advisory Committee, 1975-1977

American Red Cross

First Aid Instructor

Advanced First Aid, CPR and Multimedia, 1975-1995

Sullivan County Economic Development Commission

Commissioner, 1976- 2004 (Commission dissolved)

Vice-Chairman, 1983-1985

Chairman, 1990-1992
Vice-Chairman, 1993-1994
Chairman, 1994-1995
Vice-Chairman, 1997-1998
Vice-Chairman, 1998-1999
Chairman, 1999-2000

Tri-Cities Airport Commission
Commissioner, 1978-1983 and 1992-2006
Vice-Chairman, 1996- 1998
Chairman, 1998 - 2001

Holston Valley Medical Center
Director, 1978-1981
Executive Committee, 1978-1981
Assistant Treasurer, 1978-1981

Holston Valley Health Care Foundation
Campaign Worker, 1986-1996
Children's Miracle Phone-A-Thon, Co-Chairman 1988
Phone-A-Thon Worker, 1988-1995
Director, 1990-1996

Kingsport Speech and Hearing Clinic
Director, 1978-1980

Ridgefields Country Club, Inc.
Entertainment Committee, 1984-1985
Membership Committee, 1984-1990
Director, 1983-1988
Vice-President, 1982-1983
President, 1983-1985
Executive Committee, 1982-1988

Beech Mountain Club, Beech Mountain, NC
Director, 1983-1989
Long Range Planning Committee, 1979-1980
Tennis Committee, 1983-1984
Finance Committee, 1985-1986, 1986-1987
Nominating Committee, 1983-1984
Ski Committee, 1983-1989
General Manager Search Committee, 1984
Recreation Committee Chairman, 1984-1985
Long Range Planning Committee, Chairman, 1986-1987

Long Range Planning Committee, 1985-1988
Emory and Henry College,
Campaign for Excellence, Major Gifts Division Chairman, 1985

Sullivan County Coordination Committee
Smart Growth Law, Mayor's Appointee, 1998-Present

Tri-Cities Number One Committee
Director, 1998 - 2000

Kingsport Board of Realtors,
Member, 1982- Present 2007
Broker, Tennessee, 1983- Present 2007
Licensed in Tennessee
Finance Committee Chairman, 1984-1985
Finance Committee, 1985-1987
Computer Committee, 1983-1984
Legislative and Political Affairs, 1985-1986
Program Committee, Co-Chairman, 1988
TAR Commercial Task Force, 1989-1990
MLS Chairman, 1990
Regional MLS committee, 1989-1990
TAR Commercial & Investment Committee, 1993
Commercial Committee Chairman, 1992-1994
Northeast Tennessee Area Realtors,
Regional MLS committee, 1995- 1998

Kingsport YMCA,
Director, 1996- 2003, 2005-Present
Site Selection Committee, Chairman, 1997-2003
Site Selection Committee Member, 2003-Present
Golf Outing, Co-Chairman, 1997

Kingsport Emergency Communications District. (9-1-1)
Director, 1994- Present

Ridgefields Area Home Owners Association
Treasurer, 1994-1996

Ridgefields Area Neighborhood Association
Director, 1997- 1999
President, 1997- 1998

Crown Colony Home Owners Association**City & County Liason Committee, 2002 - Present****CCHA BOARD 2006-PRESENT****TREASURER 2006 - PRESENT****Kingsport Economic Development Board****Liason for Tri Cities Airport Commission, 1992-2006****Liason for Sullivan County Economic Development Commission,
1984-2004**

POLITICS: Campaign Chairman, Hammond for Mayor, 1979
Campaign Treasurer, Sara B. Ring for Alderman,
Campaign 1987 and 1991

SPORTS: Skiing, Golf, Tennis, Hunting and Shooting

HOBBIES: Woodworking, Amateur Radio, Electronics, Gun Collecting

Revised 07/01/2006 11/19/08



AGENDA ACTION FORM

Consideration of an Ordinance Amending the FY 2008-2009 General Purpose School Fund Budget

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Agenda Form No.: AF -350-2008
 Work Session: November 17, 2008
 First Reading (Public Hearing Held):
 November 18, 2008

Final Adoption: December 2, 2008
 Staff Work: David Frye
 Presentation: David Frye

BMA Strategic Plan 2005-2006

(CV=Core Value, KSF=Key Success Factor, KSO = Key Strategic Objective)

KSF #5: Stewardship of Public Funds

KSF # 6: Strong Public Education System

Recommendation:

Approve an Ordinance.

Executive Summary:

On November 6, 2008, the Board of Education approved budget amendment number three to the FY 2009 budget. This amendment increases the estimated revenues and appropriations in the net amount of \$378,774. \$200,000 of these funds are being appropriated from the General Purpose School Fund-Unreserved Fund Balance. These funds will be used to purchase property located on Overlook Rd. This will bring the fund balance to approximately \$2,250,000, which is 3.8% of the operating budget. An amount of \$172,474 is being appropriated from State funds for the State teacher bonus. An additional \$6,300 is being appropriated from After-School Fees and a grant that has been received from Eastman.

Attachments:

1. Ordinance
2. BOE Budget Amendment Number Three

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the Culture Arts Division Budget in the General Fund by Appropriating Funds Received from the Tennessee Arts Commission Arts Build Community Grant to Support the Art Night/City Lights Performing Arts Series

To: Board of Mayor and Aldermen
 From: John Campbell, City Manager

Action Form No.: AF-359-2008
 Work Session: November 17, 2008
 First Reading(Public Hearing held):
 November 18, 2008

Final Adoption: December 2, 2008

Staff Work By: M.Beverly/J.

Smith/M.Baker/B. MacDonald

Presentation By: Martha Beverly

Recommendation:

Approve the ordinance

Executive Summary:

The Culture Arts Division received an Arts Build Community grant from the Tennessee Arts Commission for the Art Nights/City Lights Series in the amount of \$2,100. These grants are a 1:1 match. The matching funds are provided in the Culture Arts Division operating budget through staff's salary.

Attachments:

1. Budget Ordinance

	<u>Y</u>	<u>N</u>	<u>O</u>
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of an Ordinance to Amend the General Project-Special Revenue Funds by Appropriating Grant Funds Received from the Federal Emergency Management Agency (FEMA) and the Department of Homeland Security

To: Board of Mayor and Aldermen
 From: John Campbell, City Manager

Action Form No.: AF-360-2008
 Work Session: November 17, 2008
 First Reading(Public Hearing Held):
 November 18, 2008

Final Adoption: December 2, 2008
 Staff Work By: S. Boyd/J.
 Smith/M.Baker/Chief Dye
 Presentation By: Chief Dye

Recommendation:

Approve the ordinance

Executive Summary:

The Fire Department received a grant from the Federal Emergency Management Agency (FEMA) in the amount of \$67,500 to purchase mobile data units. This grant requires a ten percent match of \$7,500. The matching funds will be transferred from the Fire Department Equipment project (GP0708).

Attachments:

1. Budget Ordinance

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of a Budget Ordinance to Appropriate the Grant Funds Received from the Economic Development Administration and the Appalachian Regional Commission for the Kingsport Higher Education Center Architect's Agreement with McCarty Holsaple McCarty Architects, Inc.

To: Board of Mayor and Aldermen
 From: John G. Campbell, City Manager

Action Form No.: AF-357-2008
 Work Session: November 17, 2008
 First Reading (Public Hearing Held):
 November 18, 2008

Final Adoption: December 2, 2008
 Staff Work By: D. Mason/M. Baker
 Presentation By: Campbell

Recommendation: Approve the ordinance.

Executive Summary:

The City has been awarded additional grant funding from the Economic Development Administration in the amount of \$350,000 and from the Appalachian Regional Commission in the amount of \$50,000 to provide additional "Green" components for the Kingsport Center for Higher Education.

Additional design services are required from the Architect in order to evaluate and include additional components that will enhance the projects compliance with the USGBC's Leadership in Energy Efficient Design (LEED) standards.

The costs for these additional design services will paid on an hourly basis with a maximum not to exceed amount of \$55,407 and will be reimbursed from the proceeds of these additional grants. The remaining grant funds will be used for the installation of the additional components.

Attachments:

1. Resolution
2. Supplemental Agreement No. 3
3. Ordinance

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—



AGENDA ACTION FORM

Consideration of An Ordinance to Update the City of Kingsport Travel Policy and Address Use of Travel Cards

To: Board of Mayor and Aldermen
From: John G. Campbell, City Manager

Action Form No.: AF-366-2008
Work Session: November 17, 2008
First Reading (Public Hearing Held):
November 18, 2008

Final Adoption: December 2, 2008
Staff Work By: Demming/Winkle
Presentation By: Jim Demming

BMA Strategic Plan 2005-2006

(CV=Core Value, KSF=Key Success Factor, KSO=Key Strategic Objective)

CV # 2: Integrity

KSF # 4: Stewardship of the Public Funds

KSO # 6: Maintain Excellence in Financial Management

Recommendation:

Approve the ordinance to update the City's Travel Policy and address use of travel cards.

Executive Summary:

Attached, for Board of Mayor and Aldermen consideration, is a proposed ordinance that makes certain changes to the City's current travel policy. These proposed changes primarily address issues related to the implementation of a new travel credit card program for City Departments. In addition, several housekeeping issues are included that address new IRS per diem rates and items recommended previously by the travel policy committee.

The City began a pilot travel card program in June 2006. The program consisted of 2 travel cards maintained by the City Manager's office that were used by other Departments as needed. As part of the new program, staff has obtained additional travel cards that will be issued to each Department Head for use in their respective Department. These cards will reduce the need for travel advances as well as enable the Departments to process their event registrations, travel and lodging reservation and payment of travel related expenses in a more convenient and efficient manner.

The changes to the existing policy have been highlighted for your convenience

Attachments:

1. Ordinance

Funding source appropriate and funds are available: _____

	Y	N	O
Joh	—	—	—
Mallicote	—	—	—
Marsh	—	—	—
Munsey	—	—	—
Shull	—	—	—
Shupe	—	—	—
Phillips	—	—	—